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Lebanese car bomb kills eight—Page 2



Wall Street closes at record high —Page 9

Death toll now 32 in latest S.A. violence

JOHANNESBURG (Reuter). – The death toll from 36 hours of South African violence rose to 32 last night when police reported two more black fatalities, one of them a child.

Police said earlier that they shot 10 black protesters in one incident at Winterveld, a shantytown in the tribal homeland of Bophuthatswana, about 100 kilometres north of Pretoria.

A spokesman said police used shotguns and tear gas in several incidents during the day and one man died of his injuries after a store was set on fire in a black township on the outskirts of Port Elizabeth.

Police said up to 1,000 people were arrested following the Winterveld incident, but could not confirm press reports that scores of wounded were left lying in the streets.

Bophuthatswana is one of four nominally independent homelands set up by Pretoria for millions of blacks deprived of political rights in South Africa.

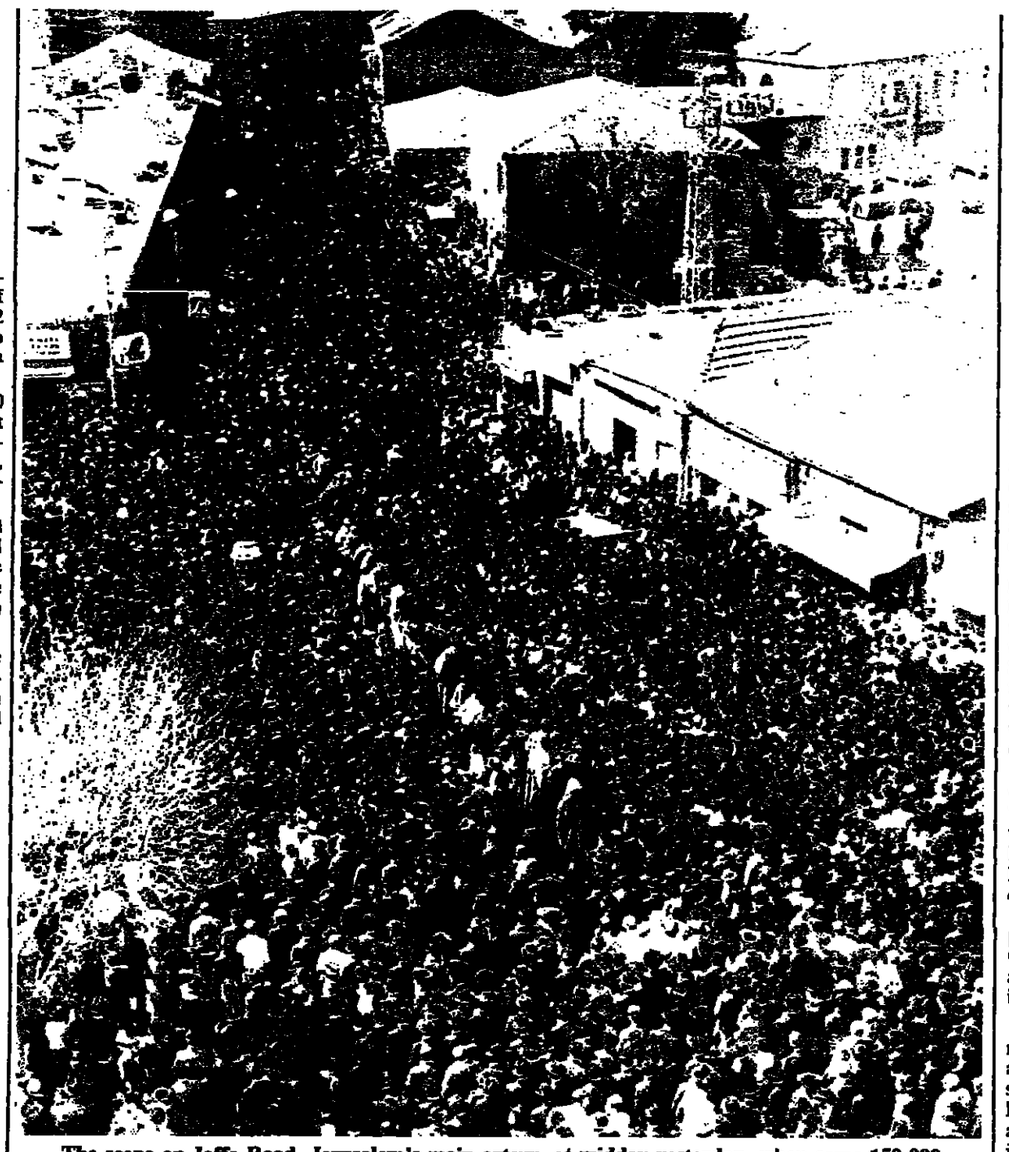
Police said the crowd at Winterveld – the reason for the gathering was not immediately clear – ignored calls to disperse and then followed security forces, pelting them with stones.

Until recently, Bophuthatswana has been spared much of the violence affecting townships in South Africa proper.

Police headquarters in Pretoria earlier said 20 people had died since yesterday morning, bringing to 106 the number of deaths recorded since March 7 when the government lifted a state of emergency imposed in a vain attempt to quell riots.

Police shot dead 10 rioters in Kwazakele black township in the Eastern Cape Tuesday night, police said.

Eight of them died when police guarding a liquor store opened fire on about 100 blacks they said attacked them with petrol bombs.



The scene on Jaffa Road, Jerusalem's main artery, at midday yesterday, when some 150,000 people gathered to hear eulogies delivered over the bier of Rabbi Moshe Feinstein at the Etz Haim Yeshiva and broadcast over loudspeakers. Report page 2. (Rahamim Israeli)

Fleet and planes still prowling the Gulf

WASHINGTON. – A U.S. Navy task force was still on maneuvers in and around the disputed Gulf of Sidra yesterday, but the Reagan administration said there had been no new clashes with Libyan forces.

White House spokesman Larry Speakes kept the world guessing on how long the American ships and aircraft would remain in the southern Mediterranean following their strikes against Libyan naval vessels and a missile site Monday and Tuesday.

Administration officials have been saying the three aircraft carrier battle groups could steam away from the Libyan coast as early as today, if there are no further hostilities. But Speakes would only say yesterday that no decision had been made on whether to cut short the exercises, which were originally scheduled to end at midnight Libyan time April 1.

Speakes said elements of the fleet were still inside the Gulf but staying "clear of Libyan territorial waters," which the U.S. says extend only 19 kilometers from the Libyan coast. Libya claims sovereignty over the entire Gulf.

Speakes said U.S. ships and warplanes "continue to operate in the Gulf of Sidra in the same general area they have been patrolling during the past two days."

The U.S. Defence Department, meanwhile reported that the 30 ships and 250 aircraft of its task force suffered no damage during the hostilities. The Pentagon said Libyan anti-aircraft missiles fired at U.S. jets were electronically jammed and sent miles off course. Four Libyan ships were hit during the confrontations Monday and early Tuesday, and three were reportedly sunk. Navy planes also struck a Soviet-built SA-5 anti-aircraft missile site Monday, then attacked it again less than four hours later after reports that at least one of the radar units used to aim its missiles was back in operation.

U.S. officials said there was another "event" Tuesday involving a Libyan patrol ship, but no further details were immediately available. They said the boat may have slipped away.

On Tuesday, U.S. officials had issued conflicting and, as they later

(Continued on Page 2, Col. 1)

U.S. prepares for wave of Libya-backed world terror

By WOLF BLITZER
Jerusalem Post Correspondent
and agencies

WASHINGTON. – The U.S. is bracing for a wave of Libyan-sponsored terror attacks after this week's confrontation in the Gulf of Sidra.

Senior Reagan administration officials said yesterday that security at U.S. installations around the world had been placed on a new alert and that U.S. intelligence was taking Libyan leader Muammar Gaddafi's threats very seriously. Checks at U.S. airports were clearly tightened up, resulting in flight delays in several major cities.

Federal agents were reported to have determined the location of all 3,500 Libyan nationals living in the U.S. and are following those believed to be hostile.

In Tripoli, meanwhile, Gaddafi vowed to retaliate against U.S. interests. Diplomats there said they were summoned by the Libyan Foreign Liaison Bureau and told that the strikes would be specifically directed against American bases in southern Europe.

The Libyan agency Jana, which reported on the briefings, said "the security and safety of the Mediterranean Sea and the states around it are in real danger due to U.S. aggression." It identified U.S. and North Atlantic Treaty Organization installations as "hostile targets."



U.S. Defence Secretary Caspar Weinberger tells a press briefing that American air maneuvers will continue in the Gulf of Sidra because of the Libyan attacks. (AFP)

Tripoli Radio, meanwhile, called on Arab suicide squads to attack U.S. embassies and other American interests. The threat was echoed by Abu Nidal's Fatah Revolutionary Council, which vowed to attack U.S. targets around the world in retaliation for the Gulf of Sidra incident. "Anything American has become from now on a target for our revolutionaries," a statement released from Damascus said.

The State Department said that all U.S. diplomatic missions had been on high alert. "In light of the subsequent developments, it is safer to assume they are continuing these precautions," spokesman Charles Redman said.

The New York Times yesterday reported that President Reagan had approved a plan to engage Libyan forces on March 14. The decision came after intelligence reports indicated that Libya was trying to "pinpoint" American diplomats for terrorist attacks.

Quoting White House officials, the newspaper said the reports had come from intelligence sources in the Middle East and southern Europe. They added that Reagan approved the naval maneuvers in the disputed waters of the Gulf of Sidra, knowing that it would almost certainly lead to a military confrontation with Libya.

The president took this action, according to the officials, because he and his top leaders felt Gaddafi "was not getting the message that the Reagan administratioin would not tolerate terrorist attacks and that the only way he would was through a demonstration of toughness."

"We expected Gaddafi to come after us," a senior Reagan adviser [illegible] "They were zeroing in on our people and we thought it was just a matter of time before there was another major terrorist incident."

Republican Senator Larry Pressler of North Dakota, a member of the Foreign Relations Committee, yesterday confirmed the *Times* account. He called on the adminis-

(Continued on Page 2, Col.2)

Syrians said to be making chemical arms

WASHINGTON (AP). – Syria is producing chemical weapons, using technology obtained from other countries, a U.S. source said Tuesday.

The disclosure came at a briefing for reporters at the State Department on the status of U.S. arms control negotiations. It would appear to expand the number of countries known to possess chemical weapons from four to five.

The others, named last year in *Chemical and Engineering News*, an authoritative trade publication, are the U.S., the Soviet Union, France and Iraq.

A U.S. intelligence report in 1983 said Syria had probably the most advanced chemical warfare capability in the Arab world, with the possible exception of Egypt. But the report, drawn from the Central Intelligence Agency and other U.S. offices, said no Syrian facility producing chemical weapons had been identified.

The source, who refused to be identified, said in response to a question about Syria: "Yes, they are producing chemical weapons." Asked where Syria obtained its technology, he replied: "From a variety of places. I'm not going to get into that because it gets in sources and methods."

Syria is one of the few Arab countries siding with Iran in its protracted war with Iraq. Asked if Syria was providing Iran with chemical weapons, the source said: "I think I'd better not answer that question."

'Waldheim was on list of Nazi war criminals'

Documents showing that Kurt Waldheim was wanted as a war criminal by Yugoslav authorities in 1947 were published in Belgrade yesterday.

The documents, which appeared in *Vecernje Novosti*, Yugoslavia's largest newspaper, allege that Waldheim was the officer who ordered the burning of three Yugoslavian villages, including Kocame and Estip in October 1944, which resulted in the death of 114 civilians. Obtained from the Yugoslavian state archive, the documents are based on testimony from two German officers, Johann Maier and Egbert Hilker.

Rabbi Marvyn Hier, dean of the Simon Wiesenthal Centre in Los Angeles, said he expected to receive copies of the documents today. He said the material would explain how Waldheim's name got into U.S. archives in 1948, but left other questions unanswered, such as why both Yugoslavia and Washington failed to follow up on the allegations.

Hier said that Simon Wiesenthal has already begun "a vigorous search" for Maier and Hilker.

In Vienna, Waldheim dismissed the allegations contained in the documents as absurd. He told the Austrian press agency that the charges raised against him in 1947 were soon shown to be unfounded.

Nonetheless, the U.S. Justice Department yesterday asked the World Jewish Congress for the evidence the group has gathered against Waldheim. The request is a step towards deciding whether the former UN secretary-general should be prohibited from entering the U.S., according to the WJC.

Heir suggested the Yugoslavians may have had their own reasons for remaining silent. He said that two weeks ago he had received an anonymous letter, apparently from a Serbian group, which claimed that the late Yugoslavian president Josip Broz Tito had used the documents to blackmail Waldheim.

Heir admitted that this allegation was unsubstantiated.

Waldheim's party closes ranks behind him—Page 3

Gorbachev suggests U.S. and Soviet leave Med.

MOSCOW. – Soviet leader Mikhail Gorbachev said yesterday that the U.S. had shown its "imperial, bandit face" in its armed clashes with Libya in the Gulf of Sidra. He proposed that both the U.S. and Soviet Union withdraw their fleets from the Mediterranean.

Gorbachev's remarks, which were reported by the official Soviet news agency Tass, were made at a Kremlin banquet for Algerian President Chadli Benjedid.

But the U..S. brushed aside the offer. "We have briefed the Soviet Union as to why we are there," State Department Spokesman Charles Redman said. "That's well understood."

The Soviet leader contended that his country had only chosen to permanently base ships in the Mediterranean because of the U.S. presence. "If the U.S., which is thousands and thousands of miles from the Mediterranean, pulled its fleet out of there, the Soviet Union would simultaneously do the same," Gorbachev said.

He also proposed a regional Mediterranean conference, similar to the 1975 European Security and Cooperation Conference in Helsinki.

Following the practice of Soviet reports and commentary on the affair, Gorbachev did not mention the U.S. charge that Libya had begun the conflict by firing missiles at U.S. planes.

He accused the Reagan administration of mounting a trade, financial and technological blockade against the government of Muammar Gaddafi.

"It can only be described as economic terror," Gorbachev said. "And look at the psychological and propaganda warfare that has been waged against Libya over the past few months." (AP, Reuter)

Mitterrand and Chirac in first clash

PARIS (AFP). – Socialist President Francois Mitterrand and his rightist Prime Minister Jacques Chirac clashed at a cabinet meeting yesterday, the first time that sparks have flown over friction caused by the political "cohabitation" in the French government.

The dispute arose at the Elysee Palace when Mitterrand refused to sign a decree, submitted to him by Chirac, which would no longer make it necessary for a firm to have permission from an arbitration panel to sack an employee.

Mitterrand justified his refusal to sign, a government spokesman told journalists, by saying that he would not agree to any decree that "does not show progress over existing rights."

Chirac's right-wing coalition won only a small majority in the 577-seat National Assembly in the March 16 general elections, and the prime minister has said that he will govern by decrees rather than introduce bills, but not on matters concerning human liberties.

Now that Mitterrand has turned down the decree on the machinery of dismissals, Chirac will have to introduce it as a bill.

U.S. 'copters took Contras to battle zone

Nicaraguan troops pull back after clashes in Honduras

TEGUCIGALPA, Honduras (Reuter). – Nicaraguan troops have begun pulling out of Honduras following several days of clashes with Nicaraguan rebels on Honduran soil, U.S. Embassy and Honduran military sources said yesterday.

The reported withdrawal of the Sandinista forces came as U.S. helicopters began ferrying Honduran soldiers to the border area.

"We have information, not yet confirmed, that the intensity of combat betwen the Sandinistas and anti-Sandinista rebels has substantially decreased and that the Nicaraguans have begun to leave Honduran territory," a U.S. Embassy spokesman said.

A U.S. airlift of 600 Honduran troops to the Olancho border zone began yesterday morning following U.S. charges that a large force of Nicaraguan government troops had crossed the border to attack the U.S.-backed rebels.

The left-wing Sandinista government in Managua denied that its forces crossed into Honduras, although it said they were involved in clashes with Honduran-based, U.S. backed Contra rebels in the border zone.

The U.S. Embassy spokesman said American troops presently in Honduras for routine military exercises were continuing their maneuvers normally and had "precise instructions not to get involved in combat."

Man held in Negev shooting of West German tourist

By LIORA MORIEL
Jerusalem Post Reporter

BEERSHEBA. – The Negev police have arrested a Beduin in connection with the shooting earlier this month of a 20-year-old West German tourist, Miriam Stucker. Police have obtained a court order banning the publication of the man's name.

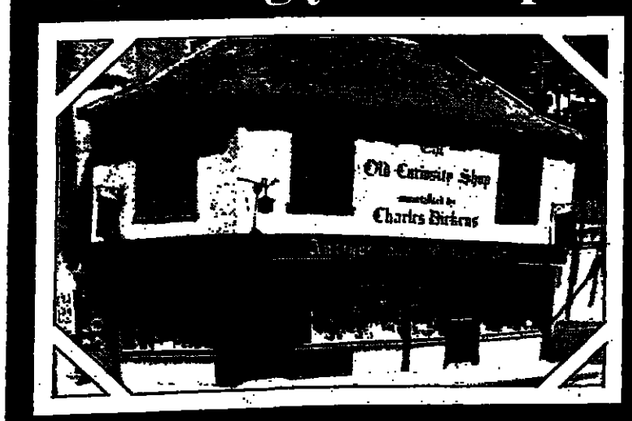
Detained on Tuesday for questioning, the man was remanded for 15 days by a magistrates' court judge here yesterday. Police said in court that they had evidence linking the man with the crime, but that publication of details would hamper their investigation.

The Beduin told the court that he was willing to take part in a line-up to prove his innocence.

Stucker is still unconcious at the Soroka Hospital here. While neurosurgeons hope that she will emerge from her coma, they add that she has suffered irreparable brain damage.

Her father, Jurgen, arrived here last week from Hamburg and is constantly at her bedside.

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The weather at major Swissair destinations

26.3.86

	MIN. C	MIN. F	MAX. C	MAX. F	
AMSTERDAM	3	37	7	45	Cloudy
BRUSSELS	0	32	9	48	Cloudy
BUENOS AIRES	13	55	23	73	Clear
CHICAGO	11	52	23	72	Cloudy
COPENHAGEN	2	36	4	39	Cloudy
FRANKFURT	1	34	10	50	Clear
GENEVA	2	36	7	45	Cloudy
HELSINKI	1	34	3	37	Cloudy
HONGKONG	16	61	19	66	Cloudy
JOHANNESBURG	8	46	21	70	Cloudy
LISBON	8	46	13	55	Cloudy
LONDON	2	36	10	50	Clear
MADRID	3	37	13	55	Clear
MONTREAL	-6	21	4	39	Cloudy
NEW YORK	5	41	16	61	Rain
OSLO	-4	25	2	36	Clear
PARIS	4	39	9	48	Cloudy
RIO DE JANEIRO	20	68	35	95	Cloudy
SAO PAULO	18	64	29	84	Cloudy
STOCKHOLM	-2	28	0	32	Rain
TOKYO	4	39	12	54	Clear
TORONTO	-1	30	20	68	Cloudy
VIENNA	6	43	9	48	Cloudy
ZURICH	4	39	8	46	Cloudy

*For the latest weather conditions contact Swissair.

Tel Aviv, 41 Ben Yehuda St. (03) 243350.
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Beer Sheva, 38 Ha'avot St. (057) 35282.

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THE WEATHER

Forecast: Clear.

	Yesterday's Humidity	Yesterday's Min-Max	Today's Max
Jerusalem	37	5–18	20
Golan	34	8–19	21
Nahariya	60	10–21	22
Safad	44	7–17	19
Haifa Port	66	14–19	21
Tiberias	46	10–24	25
Nazareth	60	10–21	23
Afula	57	9–23	24
Shomron	33	9–21	23
Tel Aviv	60	10–21	22
B-G Airport	63	9–21	23
Jericho	35	10–27	28
Gaza	69	12–20	22
Beersheba	32	6–24	25
Eilat	17	13–28	29

ARRIVALS

Mrs. Raya Jaglom, President World Wizo and Vice President, World Jewish Congress, from Geneva.

150,000 pay their last respects to Rabbi Feinstein

By HAIM SHAPIRO
Jerusalem Post Reporter

The joy of Jerusalem's Shushan Purim celebration was mingled with grief yesterday, as some 150,000 Orthodox and ultra-Orthodox residents and visitors paid their last respects to the late Rabbi Moshe Feinstein.

The funeral of the New York rabbi, whose judgements were accepted by virtually all observant Jews throughout the world, had originally been set for Tuesday night. But when the plane bringing the body from the U.S. was delayed until after midnight, the burial was rescheduled for yesterday.

"It was only because he was such a great rabbi that they delayed the funeral this long," one participant said, noting that according to Jerusalem custom, burial takes place as soon as possible after death or even within hours after the arrival of the body from abroad.

At the airport in the early hours of the morning an estimated 1,500 people, including Rabbi Eliezer Shach, the revered former head of the Agudat Yisrael Council of Tora Sages, and the rebbe of Viznitz came to show their respect for the deceased. So great was the crowd that airport workers had difficulty in bringing the body, wrapped in a dark blue shroud, from the Arkia terminal.

Another crowd awaited the bier at the entrance to Jerusalem and accompanied it to the Etz Haim Yeshiva, near the Mahane Yehuda market in Jaffa Road. At the yeshiva, the body was placed in the synagogue, near the Ark of the Law.

Long before the funeral was to begin, crowds began gathering at the yeshiva. At first the police, acting on the wishes of the organizers, attempted to keep the gates of the large courtyard of the institution closed, only allowing noted rabbis and those close to the family to enter. But before long, the crowd forced the gates open.

As evidence of Feinstein's wide acclaim in the religious world, the crowd was far more mixed than is usually seen at religious gatherings in Jerusalem, with clean-shaven modern Orthodox American rabbis and yeshiva students mixing with ultra-Orthodox yeshiva types in long black coats and beards.

Inside the courtyard, the plain dress of the yeshiva world of which Feinstein had been a part predominated. In the street outside the yeshiva, there were many Hassidim, some wearing their festive robes and accompanied by children in Purim costume.

By 11 a.m., when the funeral was due to begin, the crowd had grown to large proportions. A car bringing Shach had difficulty getting through, and once it was inside, the organizers had to make repeated pleas to clear the way for the elderly rabbi.

As the crowd waited for the funeral to begin, one mourner recalled an incident at Feinstein's yeshiva on New York's Lower East Side, when an elderly woman interrupted a Talmud lesson with a letter in Hebrew from her son in Israel. Feinstein stopped the lesson to translate the letter for her.

Official funeral orations are not made on Purim, but to honour the deceased, some words of eulogy were said by Shach, by Rabbi Yitzhak Yehuda Weiss of the ultra-Orthodox Eda Haredit, and by Feinstein's son, Rabbi Reuven Feinstein.

Meanwhile, additional mourners continued to arrive, jamming Jaffa Road and filling the balconies and rooftops nearby. On one building overlooking the yeshiva, an elderly man tried to lock the door to the roof to keep the onlookers out, but two elderly women, both wearing the traditional scarves of Kurdish Jews, forced him away from the door.

In the Mahane Yehuda market one vendor did a brisk trade in cold drinks.

Finally, the cortege made its way from the yeshiva to the Har Hamenuhot cemetery, which contains a special section for renowned rabbis.

Rabbi Feinstein is survived by his widow, Sima, and two sons and two daughters, and not as reported in *The Jerusalem Post* on Tuesday.



Rescue workers evacuate the tenants of a multi-storey building in the Ashrafiyeh neighbourhood of Beirut after a 150 kilogram car-bomb yesterday reduced it to a blazing shell. Eight people were killed in the explosion. (AFP telephoto)

Armed attacks in Samaria nearly doubled in past year

By JOSHUA BRILLIANT
Jerusalem Post Reporter

BEIT EL. – Armed attacks in Samaria nearly doubled in the past year and the perpetrators of several murders are still at large, military sources told reporters at a briefing here yesterday.

However, travellers in the area are less likely to be stoned or stopped by running tyres or roadblocks erected by local residents. The number of such incidents has been halved compared with the previous year.

Military sources were unable to say why there has been an 86 per cent increase in the number of armed incidents, especially since there has been a 6 per cent drop in the number of such attacks near Ramallah and an 11 per cent decline in the Bethlehem-Hebron area.

In most cases attackers threw petrol bombs. Since April 1, 1985, there have been 167 such attacks (compared with 133 between April 1, 1984, and March 31, 1985).

In the past year, there have been 31 cases of shooting (as against 15 in 1984/5) and six of grenades being thrown (down from nine). Twenty-three explosive devices were planted (up from 15), and there were nine stabbings (compared to one the previous year).

An analysis of the attacks shows that the assailants lacked weapons. Hand-grenades were rarely used. Most explosive devices were fashioned of pipes soldered on one side and filled with thousands of match heads – instead of explosive powder. The assailants also had to use various gadgets for detonators.

The conclusion is that there is apparently no arms smuggling into the West Bank.

Nor are there any militias or organizations modelled after those in Lebanon – although the Lebanese resistance to the Israeli presence had influenced the attackers.

Tkhe sources were particularly concerned about five murders in Samaria – three in Nablus and one each in Tulkarm and Jenin. "We know that a squad which succeeded once will try again," one source said. "We're faced with very bold perpetrators who have launched attacks in broad daylight in towns."

The source said it was unclear whether the attacks were carried out by one person or by a squad. The 7.65mm weapon used to kill Nablus mayor Zafer el-Masri had been used before, ballistic tests proved, but the weapon may have changed hands.

Despite the decline in the number of "disturbances of public order," such incidents occur at a rate of four to five a day, statistics show.

In the past year 1,121 stonings occurred, 136 stone roadblocks were erected, and 136 Palestinian flags were hoisted. On 86 occasions security forces found burning tyres.

These "disturbances" are usually created by children and teenagers; their number is believed to have dropped because security authorities have arrested nearly all those who were involved in them – and because military courts handed down stiffer jail sentences than in the past. But the sources insisted that no-one under the age of 14 is kept at the military lock-up.

Beirut car bomb kills 8, 14 others die in clashes

BEIRUT (AP). – A car packed with TNT exploded in Christian East Beirut yesterday killing eight people and wounding 80. Fourteen other people were killed in artillery exchanges and gun battles in and around the capital, in the bloodiest day in Lebanon for weeks.

At least 70 people, mostly civilians, were wounded in the fighting between Christians and Moslems in Beirut and the hills to the east, police reported.

The car bomb, with at least 150 kilograms of TNT, was detonated in the Ashrafieh neighbourhood outside an apartment block housing an office of President Amin Jemayel's right-wing Phalange Party.

Rescue teams battled through choking smoke to drag the charred bodies from the rubble of the five-storey building where fire had trapped dozens of people on the upper floors. Firemen brought them down on ladders as fire-fighters used water hoses to douse the flames.

Two hours earlier, a bomb exploded in a six-storey building housing another Phalange office in East Beirut's Furn el-Shubbak neighbourhood. Police said six civilians were wounded.

The blasts were the latest in a chain of bombings in East Beirut since Jemayel's loyalists crushed Syrian-backed Christian rivals on January 15. No group has claimed responsibility for yesterday's attacks.

Most of the earlier blasts, in which more than 40 people were killed, were aimed at Phalange offices.

As civil defence rescuers clawed through the Ashrafieh rubble, scores of Soviet-made Grad rockets fired from multi-barrelled launchers crashed into the Christian heartland.

Two civilians were killed and 15 wounded by the rocket fire.

Police reported seven people killed in pre-dawn clashes between Christian and Moslem gunmen across Beirut's dividing Green Line.

Tank and artillery duels also erupted in the Matn mountains north-east of Beirut between Christian army units loyal to Jemayel and Syrian-backed leftist and Moslem factions pushing to oust him.

Police said the Matn fighting, just above Jemayel's hometown of Bikfaya 16 kms from Beirut, had left five people dead and 25 wounded.

Health Minister Joseph Hashem, a Maronite and Phalange leader, condemned the pre-Easter attacks on Christian areas.

"Those who are sending death presents to the innocent and the children during a holiday season are criminals who must be hanged," he declared.

FLEET AND PLANES

(Continued from Page One)

admitted, erroneous reports that the Libyans continued to fire on U.S. warplanes. They later justified the second round of attacks on Libyan targets by saying the U.S. Navy task force had orders declaring any Libyan plane or boat approaching them to have hostile intentions.

Speakes said the White House had not decided whether Reagan should notify Congress under the War Powers Act of the clashes that have occurred so far. The act, a result of the Vietnam War, requires the president to inform Congress within 48 hours whenever U.S. forces become engaged in continuing hostilities. It forbids him to commit troops to combat for more than 60 days without Congressional approval.

At the United Nations the Security Council was due to meet last night to consider the Gulf of Sidra incident. The meeting was requested by Malta and the Soviet Union and was not opposed by the U.S. In a letter to Secretary-General Javier Perez de Cuellar, however, Libya questioned the value of recourse to the council, where the U.S. has the power of veto.

A spokesman for the council president, Ole Bierring of Denmark, said that as far as he knew no resolution had yet been drafted for council consideration.

Premier Peres said last night in Tel Aviv that there was no cause for concern that Gaddafi would now step up terror operations throughout the world, in response to the American action. "Until now," Peres said, "the Libyans have done whatever they pleased, backing terror groups engaged in the kidnapping and murder of innocent people.

"Previously, they did not have to worry about defending their own country. Now that has changed, and someone has stood up and said to Gaddafi, 'Stop intervening in the affairs of other countries.'"

World Reactions

Egypt, breaking two days of official silence, said yesterday it was concerned over clashes between the U.S. and Libya and urged both sides to exercise restraint.

A Foreign Ministry statement said the two countries should stop further acts of violence that could escalate tension and clashes in the region.

The Arab League Foreign Ministers Council yesterday rejected a request that league member states sever economic and political ties with the U.S. following the American "aggression" against Libya, the BBC'c Arabic Service reported.

But the league council unanimously condemned what it called "the American aggression against Libya."

The ministers, who ended a two-day meeting in Tunis yesterday, authorized league Secretary-General Chadli Klebi to consult with Arab leaders on the convening of an Arab summit to discuss the situation in the Gulf of Sidra and the Iran-Iraq war.

In Athens, U.S. Secretary of State George Shultz began talks at the Greek Foreign Ministry yesterday as the ruling Socialist Party attacked American action against Libya as an "attempt to create a holocaust."

Tens of thousands of Greeks shouting "Americans, murderers of peoples," staged a rally in Athens last night to protest against Shultz's visit.

In Bonn, West Germany repeated calls yesterday for a quick end to armed clashes between the U.S. and Libya. (AP, Reuter)

Shamir reviews seven years since signing of treaty

'We expected peace, not absence of war'

Jerusalem Post Staff

Reviewing seven years of peace with Egypt, Vice Premier and Foreign Minister Yitzhak Shamir said yesterday that Israel had expected full peace, "but what exists is the absence of war." Nevertheless, he said, "we do not belittle it – we paid a heavy price [for it]."

Speaking in a radio interview on the anniversary of the signing of the peace agreement, Shamir rejected the view that internal resistance in Egypt is preventing it from drawing closer to Israel. "Any Arab country which makes peace with Israel will have to overcome the opposition of certain elements to the very idea of peace."

In this context, he noted that the Egyptian media had changed their tone following the recent murder of an Israeli hostess at the Cairo Trade Fair, and that during the recent rioting by Egyptian security police, no one in Egypt had suggested that relations with Israel had played any part in it.

He concluded that "we can and must" demand and seek to influence the internal climate in Egypt to reinforce the peace.

Turning to the talks on Taba and normalization which resumed yesterday in Herzliya, Shamir said that no progress had been made yet "because of the unbending position of the Egyptian representatives."

Asked if there was any point in continuing the talks, he replied that they should go on. But he added that they could be concluded in the framework of the conditions laid down in a decision of the inner cabinet several months ago, and that there was no need to reconsider these conditions in light of the present state of the talks.

Egyptian Minister of State for Foreign Affairs Butros Ghali, interviewed in Cairo yesterday by Israel Radio, said that peace can't be fully realized without attaining the "legitimate national rights of the Palestinian people."

He would not go into details concerning Taba but hoped that both parties would find a solution through arbitration. He said that Egypt "supports stepping up trade, tourism and cultural ties as a way of strengthening peace."

'Conclusive proof' of Mengele's death

SAU PAULO (Reuter). – Brazilian police are to present new evidence today to prove conclusively that Nazi war criminal Josef Mengele died and was buried in Brazil seven years ago, a police spokesman said yesterday.

"The new evidence is conclusive and will end all doubts and debate," the spokesman said. He would give no further details.

An international team of forensic experts decided last June that bones recovered from a grave outside Sao Paulo belonged to the "Angel of Death" of the Auschwitz concentration camp.

But the death camp survivors have expressed doubts that Mengele is dead. Israel, which has not said whether it accepts the experts' verdict, sent police officials to Brazil last September to seek further information.

The forensic team said the bones were almost certainly Mengele's, but admitted that without comparative X-rays, it was impossible to be 100 per cent certain.

Brazilian police have continued the search for doctors and dentists believed to have treated Mengele in Brazil.

Peres and Moda'i bid for unity on budget

By ASHER WALLFISH
Post Knesset Correspondent

In a last-minute effort to drum up full support for the 1986/7 budget and have it passed before the start of the fiscal year next Tuesday, Premier Peres and Finance Minister Moda'i are to meet the 97 members of the coalition at 9 o'clock this morning, shortly before the Knesset plenum convenes.

But many Alignment MKs dismiss the bid for unity over the budget as a farce, saying the meeting will not leave time for the proper expression of their reservations. Peres, who has insisted that he won't permit enlargement of the budget, says he is ready to modify various items.

Labour and Likud members say the budget hits at pensioners and parents of schoolchildren. But Peres is adamant that the education levy must be imposed.

Still hanging fire in the effort to avoid a budget deficit is a proposed 2 per cent tax on cars.

A committee of four, set up by the coalition executive on Monday to hammer out agreement on the budget proposals, has still not met.

Some MKs believe massive support could be mobilized for Monday's crucial vote if the controversial questions of levies and taxes were omitted. But Moda'i wants the full package settled by Monday, believing that otherwise he will have difficulty in getting Knesset approval for controversial measures to raise money.

Avi Temkin adds:

Tension is building up between Peres and Moda'i over Kupat Holim rescue plans.

The Treasury is openly opposed to the proposals made in the Gadish report on the Histadrut health fund, which it says will cost the taxpayer $175 million. Moda'i is due to meet Peres today to detail the Treasury's attitude.

The Treasury says that the health fund's troubles stem from huge deficits created by the fund's refusal to curtail its operations, even when it knew cuts were called for by the state budget. Ya'aeer Gadish, a former Treasury budget department head, had found that the fund's financial crisis was the result of high interest rates and not of excessive spending.

The Treasury document stating its position on Kupat Holim was leaked yesterday by the ministry.

Bethlehem students stone cars after Land Day protest

By JOEL GREENBERG

BETHLEHEM. – Dozens of Bethlehem University students stoned cars and pedestrians yesterday after a Land Day demonstration at the campus, and IDF troops shot in the air to disperse them.

The students unfurled a Palestinian flag during the demonstration, which turned into a protest against the Camp David accords that led to the Israeli-Egyptian peace treaty.

Students hurled stones from the roofs of campus buildings, threw makeshift petrol bombs at IDF troops, and set up stone roadblocks.

U.S. PREPARES

(Continued from Page One)

tration to use even stronger force in trying to deter Libyan terrorism.

Elsewhere on Capitol Hill, there was relatively strong support for the U.S. decision to enter the Gulf of Sidra, although many expressed fear that Gaddafi would be able to exploit the incident to win support in the Arab world and elsewhere.

Middle East specialists in Washington expressed doubt that U.S. actions would weaken Gaddafi. William Quandt, a Middle East expert on the National Security Council during the Carter Administration, said: "The problem of Libya has been subversion, terrorism, and that's exactly what you don't touch with this."

In an interview on National Public Radio, Quandt criticized the action, noting that America's friends in the Arab world would have quietly welcomed a major U.S. operation to destroy Libya's armed forces. That would have severely curtailed Libya's ability to subvert its neighbours, he suggested.

In Tripoli, diplomats reported no signs of opposition to Gaddafi, although official accounts of the Sidra incident there do not acknowledge Libyan losses and continue to claim Libyan forces had downed three U.S. planes. "Libya, and Gaddafi in particular, is very good at using defeat to bolster the regime."

CALL UP. – Military sources said last night that the "large scale call-up exercise" begun late yesterday afternoon was proceeding well and was due to end this morning.

Chief of General Staff Rav-Aluf Moshe Levy said late last night that the exercise was a success, and stressed that its timing was not connected to tensions in the north.

Three-year sentence for Leningrad refusenik

MOSCOW (AP). – Vladimir Lifshitz, a Leningrad Jew refused permission to emigrate since 1981, has received a three-year labour camp sentence on charges of disseminating anti-Soviet propaganda, a source in Leningrad said Tuesday.

The source, who did not want to be identified, confirmed reports circulating in Moscow that Lifshitz, 44, received the three-year term at a one-day trial in Leningrad.

Lifshitz, an electro-mechanical engineer, lost his job as head of a jewelry marketing laboratory after he and his family applied to emigrate in 1981.

Lifshitz, who was arrested in early January, is the first refusenik tried and sentenced since Soviet leader Gorbachev and U.S. President Reagan met in Geneva last November.

Herzog considered autonomy in 1967

TEL AVIV (Itim). – President Chaim Herzog, who was military governor of the West Bank immediately after the Six Day War, considered giving autonomy to Arab leaders there while they were still in a post-war state of stock.

Herzog revealed this yesterday in a lecture to a symposium of the Moshe Dayan Centre at Tel Aviv University.

He added that nothing came of the idea because local leaders who were approached said they would have to clear their acceptance with the foreign ministers of the Arab states.

French hostages in Lebanon, 'may be released in days'

BEIRUT (Reuter). – French hostages in Lebanon may be released within the next few days, a Syrian businessman who is trying to secure their relese was reported as saying yesterday.

Omran Adham, who was sent to Damascus by French President Francois Mitterrand earlier this month, told Beirut's leftist daily *As-Safir* in an interview in Paris that France had accepted some of the kidnappers' demands.

He said he did not rule out the release of five men convicted for the attempted assassination of former Iranian prime minister Shahpour Bakhtiar in Paris in July, 1980.

Adham was sent to Damascus after the Shi'ite terrorist group Islamic Jihad had claimed it had killed research analyst Michel Seurat, one of four Frenchmen it has been holding for between 10 and 12 months. The others are diplomats Marcel Fontaine and Marcel Carton, and journalist Jean-Paul Kauffman.

The organization, believed loyal to Iranian leader Ayatolloh Khomeini, also holds six Americans.

The previously unknown Revolutionary Justice organization has said it abducted four French television workers on March 8.

Adham told *As-Safir* that arrangements were being made to release all the hostages, "diplomats and newsmen."

He disclosed that an Iranian official had visited Beirut and Damascus this week to discuss "with various sides" the possibility of Syria acting as a guarantor for any agreement.

A telephone caller, saying he spoke for captors of kidnapped British journalist Alec Collett, said yesterday that he was dangerously ill and demanded that Britain send medicine for him.

"Collett has an acute kidney ailment and his life is in great danger," the caller, who said he represented the Revolutionary Organization of Socialist Moslems, told an international news agency in Beirut.

"To save his life... the British authorities must send 10 sets for the treatment of kidneys, with an appropriate supply of medicine," the caller said.

West Germans 'working in Libyan air defence'

Jerusalem Post Correspondent

BONN. – West German technicians are operating the computers used in Libya's air-defence system, the West German daily *Die Welt* reported yesterday.

The paper said Libyan authorities had hired Germans to run the computers, which were manufactured in West Germany, after Soviet technicians proved incapable. The Germans were apprently hired on a temporary basis and are under the supervision of East German secret service agents, who assist the Libyans in intelligence activities.

Drug suspect freed to play bouzouki for Poliker

By YORAM GAZIT
for The Jerusalem Post

TEL AVIV. – Guitarist Haim Romano was released from the Abu Kabir lock-up yesterday evening for a performance in Beit Halohem, only a day after he was arrested on suspicion of belonging to an international cocaine-smuggling network.

Romano, who has appeared with some of Israel's leading singers, including Arik Einstein, Matti Caspi, and The Churchills, was arrested during a children's Purim show in the Yad Eliyahu sports stadium Tuesday night.

Police believe that a number of Tel Aviv artistes and members of the bohemian community are involved in the ring.

Investigating a case of cocaine smuggling from Holland to Israel, detectives discovered that the drug was being sent here in letters addressed mainly to artistes.

On Tuesday afternoon, detectives of Tel Aviv's Narcotics Squad watched Romano's apartment and saw a postman placed a letter in the mailbox.

A few minutes later, Romano's wife Karin took the letter out of the mailbox. At this point, detectives armed with a warrant entered the couple's penthouse.

In the envelope, which had been posted in Holland, several grams of cocaine were allegedly found. A further search allegedly uncovered a small amount of hashish and marijuana. Karin Romano was arrested and, after questioning, was released on bail.

Learning that Romano was performing that night at Yad Eliyahu, the detectives arrested him backstage during the intermission of the Tele-Purim show.

The head of the Narcotics Squad, Emanuel Hecht, agreed to allow Romano to perform at Beit Halohem yesterday, after obtaining the permission of Police District Commander Gabi Amir.

Romano's attorney, Haim Segev, brought Hecht a letter from the director of Beit Halohem, asking him to let Romano perform at the disabled war veterans' Purim show.

The performance, at which Romano played the bouzouki in Yehuda Poliker's show *Einaim Sheli*, was given before more than 2,000 disabled veterans.

Romano denied any involvement in a drug smuggling network or dealing with drugs. He will be brought to the magistrates' court today for an extension of his remand.

It was learned that the Israel Police is cooperating with Interpol in investigating the affair.

We regret to announce the death of

ESTHER YEHUDIT SALOMON

widow of the late Karel Salomon
founder of the Kol Yisrael Music Department

The funeral will take place today, Thursday, March 27, leaving at 2 p.m. from the Sanhedria Funeral Parlour, Jerusalem, for Har Hamenuhot, Givat Shaul.

Moshav Beit Zayit

صكذا من الاصل

Growing Austrian backlash over WJC 'vendetta'

Waldheim's party closes ranks behind him

By ILONA HENRY
Jerusalem Post Correspondent
and agencies

VIENNA. – The Austrian Conservative People's Party closed ranks behind its presidential candidate, Kurt Waldheim, as a Yugoslavian newspaper yesterday published a 1947 document naming him as a war criminal wanted in connection with the mass murder of Yugoslav partisans.

At the same time, there are growing signs of a backlash in Austria against what is seen by many there as a World Jewish Congress vendetta against Waldheim. Commentaries in the press in recent days have portrayed the allegations against Waldheim as foreign, particularly Jewish, interference in Austrian affairs.

A page of the latest document linking the former UN secretary-general with Nazi atrocities appeared yesterday in the leading Yugoslav paper *Vecernje Novosti*. Issued by the Yugoslav State Commission on War Crimes in December 1947, the document said Waldheim was wanted by authorities for the "murder, slaughter, shooting of hostages, demolition and destruction of property, and burning of villages."

The newspaper reproduced the first page of what it said was a seven-page document. Under the heading "Criminal Kurt Waldheim, nationality – Austrian, counter-intelligence officer in the service of Department ID of the General Staff of Army Group E," the document described him as a man 'on the run'."

"Waldheim is said to have been responsible not only for carrying out these measures but also for issuing his own criminal orders while Army Group E was in Yugoslav territory during its retreat from Greece," the official Yugoslav news agency Tanjug said in its report, which was picked up from *Vecernje*.

Tanjung said the document's allegations were confirmed by testimony from Waldheim's close associate in the unit, Johann Meier, which was included in the file.



Kurt Waldheim (right) meets with his chief opponent in the May 4 Austrian presidential election, Kurt Steyrer. The two yesterday discussed ways of relaxing the tense atmosphere of the campaign. (AFP telephoto)

Meier had said Waldheim's job was to suggest to his superior, Lieutenant-Colonel Warnsdorf, retaliatory measures against hostages, prisoners of war and civilians suspected of resistance activities.

Tanjung reported that Waldheim had had a telephone conversation with *Vecernje* in which he admitted he knew that Yugoslavia had once accused him of war crimes. But, he claimed, the Yugoslav list of war criminals had included every German officer who served in Yugoslav territory during World War II, Tanjung said.

"I repeat, I was not responsible for a single war crime on your territory," Waldheim was quoted as telling the newspaper.

He said the WJC's charges that his name is registered in U.S. archives as a war criminal are "base revenge" for the UN's Middle East policy for 10 years, beginning in 1972, when he was secretary-general.

In Vienna, however, a spokesman for Waldheim said he was unaware of such a document and was unable to comment before examining the allegations in detail.

In the meantime, Waldheim rejected as "pure lies" similar charges brought by the WJC on Tuesday alleging that he had been an intelligence officer in the German Army and involved in brutal operations against Yugoslav partisans. Those occupations, the WJC said, were based on documents, obtained from the U.S. National Archives in Washington.

While the latest allegations from Yugoslavia caused political temperatures to soar in Austria yesterday, there was no sign that the affair was harming Waldheim's bid for the Austrian presidency in elections scheduled for May 4. Indeed, Waldheim appeared to be gaining public support. A poll published yesterday by the Fessel Institute, which is close to Waldheim's Conservative People's Party, showed him 11 points ahead of his opponent, Socialist Kurt Steyrer, a rise of seven points since before the scandal broke about a month ago.

The CPP meanwhile described the allegations as "infamous calumny," and foreign meddling in Austrian affairs, which threatened the country's sovereignty. The party's leader, Alois Mock, said "barefaced interference" by the WJC in the presidential campaign would make many Austrians feel it a "patriotic duty" to support Waldheim.

Mock called on Austrian Chancellor Fred Sinowatz to "protect an Austrian citizen" from what he termed an "inhuman chase". "Now is the time for all Austrians to stand up together and reject this interference by the WJC," Mock declared.

Even the Socialist candidate Steyrer, who lunched with his main presidential rival yesterday, complained that Austria's old wounds were being reopened from abroad.

"This country and its people do not deserve to be held up as a relic of what is, thank God, a past era," he declared.

The student wing of the conservatives' junior coalition partner, the Freedom Party, referred to those making the charges against Waldheim as a small, influential group of Zionist fanatics." It asked: "How long will the Austrians allow themselves to be humiliated by the WJC and die-hard Marxists and anti-fascists?...How long will we let our own culture be run down by unprincipled Coca-Cola cultural imperialists and Marxist mass murderers?"

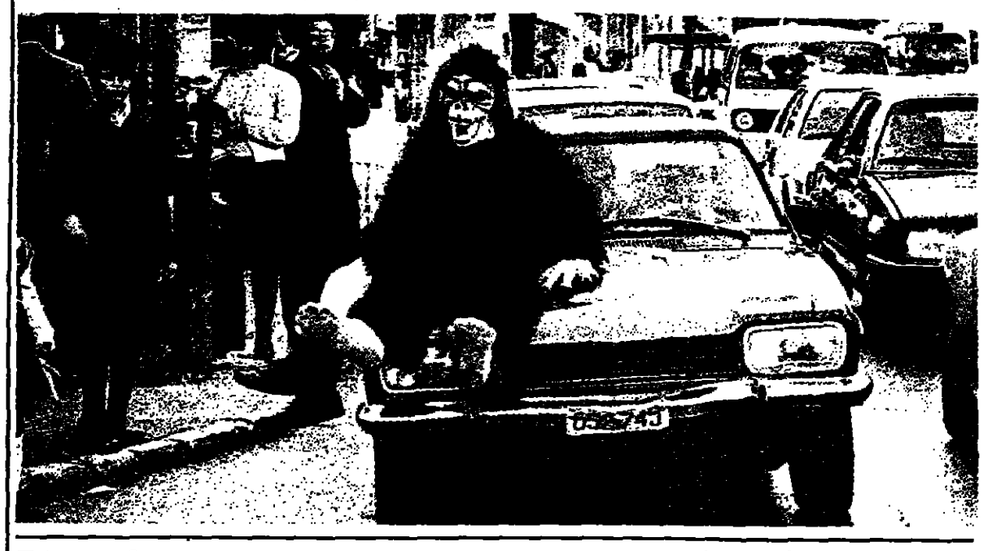
Some Austrian politicians, however, have sharply criticized Waldheim.

After publication last week of a document, signed by Waldheim, with the entry "Nazi Riding Corps," Socialist Party Deputy Chairman Karl Blecha said: "In the past I regarded Waldheim as a man we could trust. But the concealing of important parts of his past have completely undermined his credibility."

Biographies of Waldheim, and his memoirs published late last year, omit any mention of his war service in the Balkans from 1942 to 1944. They suggest he was discharged from the army after being injured on the Russian front in 1941.



It was one big Purim party in Jerusalem yesterday, as (above) pasengers on a number 14 bus were greeted by a strange driver, and (below) an ape hitched a ride in Mea She'arim. (Brian Hendler)



Purim carnival behind the bars

By BARBARA AMOUYAL
For The Jerusalem Post

It was a gala Purim carnival, with music, dancing, clowns, games and lots of children's laughter. It could have been one of hundreds of such carnivals hosted by community centres or youth groups around the country, except that the guests had to submit to a security search and pass three barred doors before being admitted to the festive scene.

Over 300 children, wives, girlfriends and grandparents yesterday visited some 150 prisoners at the Nitzan jail in Ramle, for the prison's second annual Purim family carnival.

Children in Wonder Woman and Ninja costumes visited their fathers, most of whom showed up in standard brown and orange prison garb.

Spouses, used to visiting for only 30 minutes at a time, took advantage of the five-hour event to sort out domestic problems and enjoy being together.

The carnival is another of Prison Service Commissioner Rafi Suissa's liberal innovations. He and Nitzan director Shmaya Dafna believe that family reunions can help achieve prisoner rehabilitation. "After a few hours of having the kids sit on his lap, the prisoner goes back to the ward feeling like a new man," said Dafna.

Visitors were checked by wardens for firecrackers, caps, and toy guns. All "cowboys" were relieved of any weapons which might be mistaken for the real thing. "A prisoner can cause lots of confusion with a realistic toy gun," Dafna explained.

Dafna greeted the prisoners and their families with selections from the "Warder's Creed," reminding them of the warder's duty to preserve order while looking out for the welfare of prisoners.

Yoni, 23, sentenced to three years for theft, took advantage of the day to play with his four-month-old daughter. His wife, brother and mother-in-law came to cheer him up. his wife remarked that they had all been very depressed since Yoni's sentencing in January.

Orit Lustig, chief education officer, and Shimon Malka, maintenance officer, organized the event which included Voice of Peace disc jockey/compere Gad Bitan. Several prisoners from Nitzan's drug rehabilitation centre, dressed as clowns and dancers, led the children in disco, hora and Middle Eastern dancing on a makeshift stage.

Yesterday's party for Nitzan prisoners – all of whom have been sentenced and are awaiting transferral to security prisons throughout the country – was attended by over 20 warders and Border Police. But they discreetly kept in the background and let the music, dancing and holiday spirit dominate the event.

Study prepared for congress here on rape finds:

'One in three Western women sexually assaulted by age 18'

By LEA LEVAVI

One out of three women in the West has experienced some sort of sexual assault by the age of 18, and one out of six has been the victim of incestuous assault, according to research which is to be presented at the first international congress on rape, to be held in Jerusalem from April 7 to 11.

Organizers yesterday told the press that no such studies had yet been done in Israel. The only figure they could provide was that 277 rapes had been reported here in 1985, compared to 218 in 1984, but they could not say whether there had been more rapes or whether the figure indicated greater willingness by victims to come forward.

Criminologist Menahem Amir said that rapists functioned normally in society, except in their attitudes towards women and, often, their predisposition to violence. He said it was nonsense to think that only beautiful blondes got raped and that somehow they had asked for it. Girls as young as three and women in their 70s have been victims, and while waitresses, strippers or prostitutes perhaps ran more risks of rape, it could happen to any woman, he said.

Prof. Moshe Isac of Shaare Zedek Hospital in Jerusalem said women who tried to resist rapists were more easily rehabilitated since their self-esteem was less damaged. But resistance could also prove more dangerous, and it was hard to give advice.

Esther Eillam, of the feminist movement, founder of the rape crisis centre in Tel Aviv, sees rape as a man's attempt to rule a woman through sex and violence. Women should try to defend themselves, whether by physical means or by telling the rapist they have syphilis or Aids, she believes

Rape is no less a crime when it is in the family or when the rapist and victim know each other well, as in about half of all rapes. And nor do such circumstances implicate the women, the three agree. A woman raped by someone close to her may suffer more emotionally than a woman raped by a complete stranger, they believe.

Isac also raised the issue of political rape – as when blacks rape white women in protest against their own low social status, or when Arab Israelis rape Jewish women (particularly women soldiers) in nationalist protest.

The 70 overseas participants and over 300 Israelis expected to attend the congress are to discuss ways of helping rape victims and treating rapists. Incest and sexual offences against children, and the relationship between pornography and rape, are among other topics to be discussed.

Demjanjuk's lawyer views model of Treblinka

By YA'ACOV FRIEDLER
Jerusalem Post Reporter

HAIFA. – Mark O'Connor, the U.S. lawyer who is seeking permission to defend John Demjanjuk in the Israeli courts, yesterday went to the Holocaust museum at Kibbutz Lohamei Hagettaot near here to view a model of the Treblinka concentration camp where his client is said to have been the brutal "Ivan the Terrible" the guard who operated the lethal gas chambers.

O'Connor also met Tuvia Friedman of the Nazi Crimes Documentation Centre.

The lawyer said he had represented Demjanjuk for the past for four-and-a-half years. Money for the defence had been given by the Ukrainian community in Cleveland, where Demjanjuk, a former Ukrainian, has lived for the past 30 years. But O'Connor doesn't think the community will continue its support, "because they say he won't get a fair trial in Israel."

Report on land policy urges more sensible property taxation

By DAVID KRIVINE

After 70 sessions spread over four years, a public committee headed by advocate Amnon Goldenberg has produced a 230-page report on land policy in Israel. Its conclusion is that, broadly speaking, the Israel Lands Administration (ILA) has got it right.

Procedures, however, could be improved. There is no shortage of land in this country: six million inhabitants can be accommodated without difficulty within existing urban and village borders. But the public believes there is a shortage, nevertheless, owing to mismanagement by the authorities.

Taxes are imposed to raise revenue, without regard to their impact on land prices. The committee asks rhetorically: does the government want property to be expensive (like luxury goods) in order to mop up purchasing-power, or cheap (like subsidized goods) to make life easier for the people?

The committee agrees that state lands have to be sold at their true market value, because if the ILA asks for less, the builder will resell for more, pocketing the gain. But the burden on the end-purchaser could be lightened by a more sensible method of taxing property.

In allocating plots for construction the ILA should cease confining itself to registered builders and consider applications from all interested parties.

Protected tenants who refuse to move from condemned premises hold up urban renewal. As things stand, those refusing to vacate can't be removed until the developer has a building permit; and then he has to find them alternative accommodation.

In order to accelerate development, says the report, the local town-planning committee should be empowered to get occupants out. Compensation should be in cash, without any need to provide another flat.

All occupied premises ought to be entered in Tabu (the Land Registry) without delay. Pleas by the authorities that local planning processes are not complete should be disregarded.

The Builders' Association expressed the view that the ILA should stop drawing up "development contracts" which oblige those who lease state land to complete a particular project by a stated deadline. It should be enough to lease the land against payment, they argued.

In its defence the ILA pointed out to the committee that state lands are made available for a specific purpose. For example, the Fast Hotel in Jerusalem was acquired from the Armenian Church. The municipality made it over to a company which was supposed to dismantle the edifice and build a new hotel. But there was no development contract and the site has been left derelict for 13 years – disfiguring a crucial approach to Jaffa Gate in the Old City.

State lands are leased, not sold, though sales are authorized in special cases where the premises are inhabited and there is no prospect of redevelopment. A limit was fixed on these sales of 100,000 dunams for the whole country. The committee recommends adding another 100,000 dunams to allow further sales.

When offering a long-term lease the ILA requires a payment in cash equal to 91 per cent of the plot's value. This should give the recipient something close to total ownership, but doesn't.

The committee recommends charging 99 per cent of the purchase price and giving in exchange a 49-year lease renewable on expiry with no further charge.

If the tenant at any time offers the lease for sale the ILA would retain the first option to buy. It would also retain the right to forbid a sale to a non-resident foreigner.

The ILA must stock up with land for the needs of future generations. It should make use of the revenue gained from leases and sales to finance these purchases, the committee suggests.

Garbagemen told to work and to break traffic laws

TEL AVIV (Itim). – The city's garbage collectors were yesterday afternoon ordered back to work under the terms of a temporary injunction issued by the district labour court. But that, by implication, means that they have been ordered to revert to breaking the law.

The garbage collectors, who say that their pay claims have been ignored, have been refusing to reverse into streets to which there is no easy access, and have similarly refused to turn their trucks in "no turning" areas. The men invoked the traffic laws to sanction their actions.

Garbage has piled up in front of a number of houses and some streets have become very polluted.

The municipality and the striking garbage men have been summoned to appear in court at 7.30 this morning.

HOME NEWS IN BRIEF

Cars torched on Golan

KIRYAT SHMONA. – The car of a pro-Israel resident of the Golan Heights Druse village of Majdal Shams was torched yesterday, probably by one of the anti-Israel residents who have been active there recently.

Income tax commandos make 13,661 raids

TEL AVIV (Itim). – Income tax "commando" teams made 13,661 raids around the country this month, and authorities consequently opened files on suspected tax evasion against 1,128 businesses.

As part of their investigation the teams set up 24 road-blocks.

Survey questions link of suicide to press coverage

TEL AVIV (Itim). – An informal survey conducted by Magen David Adom has found that the incidence of suicide does not drop when the press refrains from reporting all the cases.

During a recent period of several weeks, researchers found there were three to five suicides or attempted suicides daily throughout the country, apparently a higher number than usual. But only 10 to 20 per cent of the incidents were reported to the press.

A Magen David Adom spokesman said the preliminary findings cast doubt on some psychologists' contentions that there is a direct link between suicides and media attention. The organization will hold a seminar on the subject for members of the press and the medical profession, on April 4 at Beit Sokolow in Tel Aviv.

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(–) (signed)
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ad106-371-F22

Abolition of National Assembly

Friends and foes oppose Cory's action

MANILA (Reuter). – Philippine members of parliament, both friends and foes of President Corazon Aquino, closed ranks yesterday to denounce her abolition of the National Assembly as a step towards dictatorship.

The pro-Marcos New Society Movement (KBL) and Aquino's parliamentary supporters met in an effort to shape a united front.

Neither the KBL – fragmented since the flight into exile of deposed president Ferdinand Marcos – nor her allies seemed clear how to challenge Tuesday's proclamation or whether they could do anything jointly.

But analysts said their protest could lead to a serious political and constitutional crisis for Aquino's month-old government, which is still riding on a crest of her personal popularity.

With her proclamation, Aquino announced that a special commission would draft a new constitution for approval in a referendum and said she hoped elections under the new charter could be held within a year.

At separate press conferences, leaders of the KBL and the pro-Aquino Unido coalition said they might defy her and meet next month as scheduled last December when the National Assembly adjourned for the February presidential election.

Nine Sikhs killed as police fire on charging militants

CHANDIGARH, India (Reuter). – Police yesterday shot dead nine Sikhs and wounded 22 when militants, many waving traditional swords, tried to storm a meeting attended by Punjab Chief Minister Surjit Sing Barnala.

In other signs of a growing crisis in the north Indian state a string of towns and villages were put under curfew. Police were ordered to guard all Punjab railway stations, and three other people died in violence linked to a Sikh militant campaign for a separate state.

Police opened fire on 2,500 militants in the town of Anadpur Sahib when they defied baton charges, teargas volleys, and rubber bullets to advance on a dais where Barnala was sitting with other leaders of the moderate Sikh political party the Akali Dal.

The militants were protesting against the arrest of four of their leaders on sedition charges Tuesday.

A police spokesman said nine people died and 22 were wounded, 10 seriously, in the shooting which broke out at celebrations marking the spring festival of Holi.

The spokesman said that after the police action the militants rampaged through the town setting alight cars, buses, and police vehicles and trying to burn down the railway station.

Germany expected to sign SDI pact

BONN (Reuter). – The U.S. and West Germany have settled terms for German involvement in President Reagan's "Star Wars" space defence project and are expected to sign an agreement today, the Bonn government said yesterday.

Spokesman Herbert Schmuelling said differences over the planned accord were largely resolved during talks between U.S. Defence Secretary Caspar Weinberger and West German Economics Minister Martin Bangemann in Washington Tuesday.

The accord will make West Germany the second U.S. ally after Britain to become formally involved in research on the so-called Strategic Defence Initiative (SDI).

The bid for an SDI accord has caused rifts in the centre-right coalition between Chancellor Helmut Kohl's Christian Democrats, who strongly favour involvement, and Bangemann's Free Democrats.

BURIAL – Michele Sindona, the jailed Sicilian financier who died last weekend from cyanide poisoning, was buried yesterday at a funeral ceremony in Milan, ignored by former friends in top banking and political circles.

SUMMIT. – Chadian President Hissene Habre and rebel leader Goukouni Oueddei will discuss how to end 20 years of civil war in Chad in the secluded Congolese town of Lubomo, 100 kms. from Brazzaville, this weekend.



Soviet schoolgirl Katerina Lycheva (left), and her travelling companion Star Rowe, 10, of San Francisco, pose in front of the UN in New York as Katerina continues her tour on a mission of peace in memory of Samantha Smith, the American schoolgirl who went to Russia and was later killed in a plane crash. (AFP)

Protest filed over 'black-out' of Oscars for 'Color purple'

LOS ANGELES (AP). – A civil rights group filed a protest Tuesday against the Motion Picture Acauemy for not awarding any Oscars to *The Color Purple*, calling it "a slap in the faces" of producer-composer Quincy Jones and director Steven Spielberg.

The statement by the Hollywood-Beverly Hills branch of the National Association for the Advancement of Coloured People was issued by publicist Connie Watson, who called the outcome a "black-out," a term the chapter uses to describe industry action to suppress black film projects. She said the chapter president, Willis Edwards, sent a formal letter of protest to the academy.

The film about a rural black woman's struggle for self-worth had gone into the awards night with 11 nominations, the same number as *Out of Africa* which won seven Oscars, including best picture.

But *The Color Purple* failed to win even once, tying the 1977 movie *The Turning Point* as the most-nominated film to lose in every category.

Sydney Pollack, winner as director and co-producer for *Out of Africa* declined to analyze the reason behind *Purple's failure*.

"You put me in a difficult spot," he said, "because I can't win no matter how I answer that question, and I would like not to put a damper on the evening by trying to speculate on an undiplomatic question with an undiplomatic answer."

But the post-Oscar celebration was unusually subdued, suggesting a pall had been cast by the failure of an acclaimed and commercially successful movie that may have been a victim of in-fighting among academy members.

Court upholds U.S. military on yarmulke nix

WASHINGTON (Reuter). – The U.S. Supreme Court ruled Tuesday that the military can prevent an Orthodox Jewish officer from wearing a skullcap while on duty.

The case involved an Air Force officer who was denied an exemption from uniform regulations in his bid to wear a skullcap (*yarmulke*). The Supreme Court, in a 5-4 decision, ruled against Rabbi S. Simcha Goldman, who argued that military rules conflicted with his constitutional right of free exercise of his religious beliefs.

U.S. vows to help Afghans battle Soviets

PESHAWAR, Pakistan (AP). – U.S. Attorney-General Edwin Meese blasted the Soviet Union yesterday for its "occupation" and "genocide" in Afghanistan and vowed that the U.S. will help the Afghan people's resistance efforts.

Meese, on a presidential mission, issued one of the strongest American statements on Afghanistan, accusing the Soviet Union of a wide series of crimes and atrocities and saying the U.S. would resist what he called Moscow's expansionist designs.

"Today, I have come here on behalf of my president to promise you, the Afghan people, that we, the people of the United States, will continue to support your heroic struggle against the Soviet Empire," he told an audience of cheering Afghan refugees.

The U.S., along with China and other nations' arms and supplies Pakistan-based Islamic guerrillas fighting the Communist government of Afghanistan. Soviet forces intervened in Afghanistan in 1979, and there are an estimated 115,000 Soviet troops in the country helping to fight the insurgents.

Meese said "the Soviet occupation of Afghanistan" had been shattering and that the Afghan people had paid an untold price in death and suffering.

"We learn from you of the various physical and mental scars of torture, rape, of toxic gas, of famine, of scorched earth and genocide," he told the group of about 300 Afghans at a refugee camp on the city outskirts.

There are some three million Afghan refugees in Pakistan.

Pentagon: Soviets have satellite-blinding laser

WASHINGTON (AFP). – The Soviet Union is continuing to develop new types of nuclear missiles and has a laser weapon capable of "blinding" spy satellites, an annual Pentagon report on Soviet military power released here on Tuesday said.

"They have more weapons of higher quality and higher capability," U.S. Defence Secretary Caspar Weinberger told a press conference at the Pentagon.

The study, which said the Soviet Union was also updating conventional forces, added that it had "lasers capable of damaging some components of satellites in orbit."

It also had a laser "that could be used in feasibility testing for ballistic missile defence applications."

Nicaraguan 'Al Capone' spills CIA beans

By IAN WALKER
Special to The Jerusalem Post

MANAGUA, Nicaragua. – Stocky and pug-faced, 25-year-old Reynaldo Aguado is nicknamed "Al Capone" by his family and friends.

Last October, while he was still working in administration at the Ministry of Interior (Mint) in Managua, he went to Miami to visit his mother whom he had been told was due to have a cancer operation. By the time he returned to Managua on November 10, his mother was $25,000 richer and he was in the employ of the Central Intelligence Agency (CIA) he said, at a press conference in the Mint last week.

Aguado's public confession was preceded by a statement from the head of state security, Lenin Cerna, who announced that another former Mint employee, Jose Trejos, had been recruited by the CIA in November, 1983. Trajos's wife had worked with her husband and both were in custody, said Cerna, who then exhibited equipment he said had been recovered from the home of the informers.

This included cigarette lighters converted into cameras, vitamin pills containing coded messages, pencils that unravelled into instructin manuals, a travelling bag with compartments for the various gadgets, and a standing ashtray of woven cane which unscrewed clockwise and was designed to accommodate all the spy accessories. His demonstration concluded, Lenin Cerna instructed his aides to bring on "Al Capone."

Wearing a short-sleeved white shirt and blue jeans, Reynaldo Aguado sat on a wooden chair in the full glare of TV lights and took 20 minutes to deliver a detailed account of how he says he was ensnared by the CIA.

Like many young Nicaraguans of middle-class origin, Aguado had chosen to remain in Managua and work for the Sandinistas while others in his family fled to Miami. But last May his brother telephoned to say their mother had cancer. Two days after his arrival in Miami his mother introduced him to William Peres, who identified himself as a representative of the U.S. government and then told Aguado that his mother did not have cancer.

His mother's doctor, Gaston Lacayo, is a known supporter of the Contras who had sympathized with the mother's anxiety about her son working for the Sandinistas.

Some days later Aguado met Peres again, only this time, according to Aguado, Peres said he was a CIA agent and that he wanted Aguado on the payroll. If Aguado refused, Peres could not be held responsible for any action that might be taken against his family by Miami-based Contras.

Having agreed to Peres's proposal, Aguado was briefed by Ben Wickham, formerly the first secretary at the U.S. Embassy in Managua. Aguado's dispatches were to be sent to a box number in Madrid.

In Managua, Aguado's contacts were two employees at the U.S. Embassy, Stephen Merchinsen and Bonnie Bennet. Merchinsen and Bennet are still officially working at the U.S. Embassy, where a spokesman said it was not their policy to comment on intelligence matters.

Ministry of Energy and Infrastructure
Energy Conservation Branch

Notice to Big Energy Users

National Energy Authority Regulations (Energy Survey) 1985

he above regulations, which went into effect on March 1, 1985, require every energy user whose annual consumption is equivalent to or greater than 2,000 tons of oil, to carry out an energy survey, as defined in the regulations.

Clarifications on this subject can be obtained from the Energy Conservation Branch, P.O.B. 1442, Jerusalem, or by phone from the Unit for Economy in the Use of Energy by Industry, Companies and the Water Supply Utility, Tel. 03-426823.

In order to assist energy users in complying with the regulations, the Energy Conservation Branch has drawn up a list (given below) of those it recommends to carry out the required survey. It is emphasized that no obligation exists to have the work carried out by someone on this list, and that any engineer experienced in making energy surveys can perform the work.

1. **Pinhas Har Oz**, 68 Ussishkin, Tel Aviv	03-782246 (office)
2. **Moshe Hirsch**, 88a Moshav Tzafriya	03-985048 (residence)
3. **Yosef Weinstein**, 15 Basel, Herzliya	03-241462 (office)
4. **Yair Shnabel**, 15 Menora, Tel Aviv	03-241462
5. **Gabi Gurevitz**, 5 Hahermon, Givat Savyon	03-333473
6. **Meir Somach**, 28 Jabotinsky, Ramat Gan	03-722546
7. **Allan Newal**, 19 Einstein, Haifa	057-31773 (office)
8. **Amnon Rediman**, 9a Mapu, Haifa	04-244531 (office)
9. **Jose Barak**, 40 Jabotinsky, Nahariya	04-710137 (office)

FOREIGN NEWS IN BRIEF

Scientist: Key cells may 'commit suicide' in Aids

DAYTONA BEACH, Florida (AP). – New research suggests that the Aids virus may kill key immune system cells by making them commit suicide – an idea that could lead to ways to stave off the disease, a researcher says.

The Aids virus may make the cells produce abnormally high amounts of a protein called lymphotoxin, which then kills the cells, Nancy Ruddle, associate professor of epidemiology and public health at the Yale University School of Medicine, said Tuesday.

"We are now convinced that lymphotoxin can kill the cells that produce it," Ruddle said at a science writers seminar sponsored by the American Cancer Society.

But the theory that virus-induced lymphotoxin leads to the crippling of the immune system in Acquired Immune Deficiency Syndrome is not yet proven, she said.

Other scientists agreed that more evidence is needed, but said the concept is worth investigating.

Iran says Iraq's 'large naval target' was whale

TEHERAN (Reuter). – Iran agreed yesterday that Iraqi planes hit "a large naval target," Baghdad's usual term for an oil tanker or other merchant ship, earlier this week.

But it was a 12-metre whale, the national news agency Irna said.

The whale was wounded in a missile attack, washed ashore near Bandar-e Deylam in the northern Gulf, and died later.

"The Iraqi planes had apparently mistaken the whale for the 'large naval target' the Iraqi regime so often claims to have hit in Persian Gulf waters," the agency said. "The Iraqi regime has made the Gulf waters unsafe for marine life."

Dutch Liberals knock Spanish move on PLO

By YOSSI LEMPKOWICZ
Jerusalem Post Correspondent

THE HAGUE. – The Dutch Liberal Party, junior partner of the Christian-Democrats in the centre-right coalition government, has protested against Spain's decision to grant diplomatic status to the Palestine Liberation Organization (PLO) office in Madrid.

The Spanish decision was announced at the end of last week by Spanish Foreign Minister Fransesco Fernandez Ordonez on his return from a two-day visit in Tunis where he had a long meeting with Arab League Secretary-General Chedli Klibi.

In a written parliamentary question, the Liberal Party asked Christian-Democrat Dutch Foreign Minister Hans Van Den Broek, the current chairman of the EEC Council of Ministers, to try to persuade the Spanish authorities to reconsider their decision.

Remains of some astronauts said identified

CAPE CANAVERAL (Reuter). – Pathologists have identified the remains of some of the seven astronauts who died when the space shuttle Challenger exploded moments after lift-off on January 28, sources said yesterday.

The sources, who are close to the Challenger probe, said the grim task of examining the astronauts' fragmented body parts, hauled up over the past two weeks from the wreckage of the crew cabin, could take several more weeks to complete.

The space agency has refused to comment on the recovery of astronaut remains from the Atlantic out of deference to the wishes of their families.

But a space agency source said some kind of "ceremony of respect" would be held at Kennedy Space Centre before the remains are turned over to the families for burial.

Videotape given police in Palme case

STOCKHOLM (AP). – Police hunting for prime minister Olof Palme's killer have obtained several hours of videotape shot near the Swedish leader's home prior to his assassination, Stockholm newspapers reported yesterday.

Police hope to find pictures of the man who reportedly tailed Palme on at least two occasions shortly before his death, according to the reports.

Superintendent Lars Richter declined to comment on the report, citing "investigative reasons."

The *Aftonbladet* daily said Mariano Catan, an amateur cameraman, was filming street life close to Palme's home during the six months prior to the February 28 killing.

"I believe there might be some very interesting material for the police on my tapes," the newspaper quoted Catan as saying.

SPORTS

Tonight's the night

By DON GOULD

TEL AVIV. – Maccabi Tel Aviv hope that tonight they will finally close the door tight shut against Elitzur Netanya, when the two teams clash at 8.30 p.m. in the second game of the Best-of-Three final of the IBA playoffs for this season. Maccabi took the first game last Thursday by 11 points.

Lee Johnson and Kevin Magee have missed several practice games during this past week, Johnson because of a severe attack of 'flu, Magee because of language problems. But both players are expected to be fit to open in tonight's crucial game. Doron Jamchee, with an injured Achilles tendon, may play but he is not in top form.

Eliztur Netanya are in better shape. They welcome home their colourful young coach, Yossi Halevi Harari, who missed two games because of the death of his father. His return may give Elitzur the extra push they need to down the champions.



ANXIOUS. – Zvi Scherf and Shmuel Macharovsky ("Shamluk"), coach and manager of the Maccabi Tel Aviv basketball team, had some anxious moments in last Thursday's match against Elitzer Netanya. How will they look tonight? (Guthmann photo)

Zalgiris humble mighty CSKA

MOSCOW (AP). – Zalgiris of Kaunas, guided by European "Player of the Year" Arvidas Sabonis, have won the Soviet National Basketball title with a 2-1 defeat over 23-time champions CSKA of Moscow.

The Lithuanian team triumphed 67-59 over the Moscow side in the final in the Soviet capital. Zalgiris had won the first of the three final games in Kaunas 69-62, then went down 64-71 against CSKA in Moscow. The 21-year-old Sabonis, 2.18m, has been the star of his team since joining Zalgiris in 1982.

The victory means that, even if Zalgiris do not win the European Cup this year, they will contest it next year.

Aussies save some face at last

WELLINGTON (Reuter). – Australia saved some face near the end of a gloomy cricketing summer by beating New Zealand by three wickets in a dramatic one-day international here yesterday to keep the one-day series alive.

Middle order Stephen Waugh (71) and Wayne Phillips (53) reversed Australia's seemingly inexorable slide towards defeat, and piloted the team to victory. The tourists, chasing New Zealand's total of 229 for nine wickets, were a shaky 142 for five with just 11 overs remaining when the pair came together.

New Zealand 229 (Rutherford 79) Australia 230 for 7.

In Colombo, Sri Lanka, 37 behind Pakistan on the first innings, were 83 for three in their second innings at the close of the fourth day of the third and final cricket test yesterday. Rain prevented play most of the day.

Sri Lanka 281 and 83 for three. Pakistan 318.

Poison for Cavaliers

NEW YORK (AP). – Dominique Wilkins, who missed Atlanta's previous game because of food poisoning, returned to action and gave the Cleveland Cavaliers a touch of indigestion.

The NBA's second-leading scorer tallied 34 of his 36 points in the first three quarters as the Hawks defeated the Cleveland Cavaliers 97-91 on Tuesday night. The setback sliced Cleveland's lead in the race for the final Eastern Conference playoff spot to 1½ games over Chicago, who defeated New York 111-98, and Indiana, who were idle.

In other games it was Kings 116, Trail Blazers 99: Lakers 121, Nuggets 115: Bucks 118, Nets 105: Warriors 125, Pistons 121: Bulls 111, Knicks 98.

Mayotte outsmarts Gilbert

CHICAGO (AP). – Unseeded Tim Mayotte of the United States parlayed a series of deft drop shots and well-placed passing shots to upset fellow-countryman Brad Gilbert in the opening round of the Volvo Chicago Tennis Tournament. The scores were 7-6 (7-4), 6-7 (8-10), 6-3.

Repeatedly criticizing the calls of linesmen, the fourth-seeded Gilbert had rallied to square the match at one set each in a second tie-breaker. But in the final set Mayotte ranked 17th in the world, broke Gilbert's service in the seventh game, scoring twice with great passing shots. Gilbert, ranked 11th in the world, refused to give up, forcing the ninth game to match point seven times before finally losing on a ball he hit out of bounds to end the gruelling two hour26-minute marathon.

Suspected football fraud holds up Toto prizes

TEL AVIV (Itim). – The Sportoto prize for correctly guessing last Saturday's football games will not be awarded at least until April 1, it was decided yesterday in the district court here.

Meanwhile, the football association has asked detectives to investigate allegations of collusion in the Betar Ramle-Hapoel Yahud game, which the Yahud team won, against all expectations.

Two men, Felix Hayon and Motti Pelah, asked the court for an interim injunction to halt distribution of the prize money. They said that had the Ramle Betar team won, as had been predicted, they would have won the first prize.

Judge Shaul Aloni postponed hearings to April 1. The applicants and the football pool authorities have meanwhile agreed that no money will be distributed before the hearing.

Betar lose friendly

A Betar Jerusalem soccer team, weakened by the absence of Uri Malmillian, Chanan Azulai, Uri Ashash, Yossi Mizrachi and Uri Suissa, lost 3-2 in a friendly game in midweek to Hapoel Nahlat Yehuda, a third division team, reinforced by Avi Cohen, Eli Dricks and Motti Iwanir. The game, dedicated to the memory of Major Yossi Chaim, who fell in the War in Lebanon, was watched by 2,000 spectators.

Sportoto tips

By PAUL KOHN

	Single Line	Permutation
Bnei Yehuda v Mac. Jaffa	1	1
Hap. TA v Hap. Haifa	1	1
Mac. TA v Mac. PT	1	1
Mac. Yavne v Betar J'lm	x	x2
Hap. J'lm v Hap. K. Sava	1	1x2
Hap. PT v Sha'arayim	1	1
Mac. Haifa v Shimshon	1	1
Beersheba v Mac. Netanya	x	1x2
Betar Netanya v Tiberias	1	1
Betar TA v Hap. Lod	1	1
Yehud v R. Hashuron	x	x
Hap. Acre v Hap. R. Gan	x	1x

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'Only the strongest can keep up'

Carol Novis talks to the students at the performing arts high school in Givatayim


(Israel Talby)

"PEOPLE THINK that all we do is dance down the halls, like on *Fame*. It's not like that at all. Going to school here is the hardest thing I've ever done," says Liat Farris, 10th-grade student at the Thelma Yellin High School of the Arts in Givatayim, which is celebrating its 25th anniversary this year.

Although Farris grumbles about the pressure, she isn't about to consider changing schools. She enjoys life at Thelma Yellin so much that she leaves home – a 45-minute bus ride away – at 6:15 a.m., just so she can arrive at school an hour early. "I do homework or just hang out," she says. "There's always music playing or something going on. I like the atmosphere."

Its atmosphere of creative excitement is one of the reasons why the Yellin school is unique in Israel. Founded in 1962 by composer Oedoen Partos in memory of cellist Thelma Yellin (1895–1956), the school was originally dedicated to developing the talents of young Israeli musicians of high school age. In 1967, programmes in the plastic arts and theatre were added, and more recently a dance programme has been added. Within the next two years, a programme in communication arts – including creative writing, journalism and cinema – is scheduled to be offered.

But those who think of the school strictly as Israel's *Fame* equivalent for talented non-academics, or as a training ground for the middle-class cultural elite, are wrong, according to principal Yitzhak Natan.

"We are at least as strong academically as any other high school in Israel," he says. "Our students take every course that students at a regular high school take, in addition to the special arts courses we offer. Our matriculation results here are well above average and our graduates are perfectly well qualified to go into medicine, law or science. Many of them do."

He also maintains that the school is not just for the elite. "Twenty-five to 30 per cent of our students come from underprivileged neighbourhoods. We make a point of accepting such students with potential, even when their academic records aren't up to our standards, and we provide extra tutoring."

STUDENTS WISHING to enroll at Thelma Yellin find that gaining admission is not easy. Between 500 and 600 students a year compete for the 120 available places and each one admitted must be able to show an ability to withstand high level pressure and pace.

Music department applicants are required to have a background of at least four years' instrumental study and must pass an audition and a sight-reading test. Art students need not have any formal training ("potential is more important than art lessons"), but a portfolio of their work should demonstrate talent. Theatre students prepare and perform one or two pieces. All applicants are interviewed.

In addition, students are required to have an academic average of 8.5 ("very good") or higher, with a score of 9 in English. Occasionally, exceptions are made and exceptionally talented students with lower academic achievements are admitted on the basis of psychometric tests; but on the whole, strong academic performance is required. "We have to make these demands," says Natan. "We ask so much more than regular schools, that only the strongest students can keep up."

No hours of regular academic study are cut in deference to the demands of art, music and dance. The arts classes are held in addition to the regular high school courses, which means that Thelma Yellin students take more than 10 extra hours a week of classes. They also devote extra time to singing in choirs, playing in orchestras and chamber groups, and visiting museums, plays and galleries.

Why do they put up with this gruelling schedule? "It's fun," says Farris, who plans to be a lawyer. "I never enjoyed school so much."

She is typical of many Thelma Yellin students. "We never suspected she had any talent until she entered a drama competition locally with a monologue she prepared herself," said her father. "She performed in front of 1,000 people and she was transformed. We hardly recognized her."

Farris was one of 28 students accepted out of the 300 who applied for the drama programme last year. "We have very few dropouts," insists Natan. "We choose so carefully that the kids themselves want to stay. There is pressure, true, but it is positive pressure."

THE 450 students come from all over the country. Although the school is conveniently located near the railway station on the Ramat Gan-Givatayim border, commuting still entails considerable effort and sacrifice on the part of many students. One student takes four buses every morning – each way. Two Eilat students board in the Tel Aviv area in order to attend. Others come from Ashdod, Hadera and Rehovot, as well as kibbutzim and moshavim. The majority, though, are from the Tel Aviv area.

The cultural atmosphere extends to yearly class trips. On a recent trip to a field school in Eilat, the kids took their art equipment and instruments along with them. Drama students painted themselves with red Eilat sand and put on an impromptu performance. Art students drew desert landscapes, and music students put on a concert in the town's central square. "We didn't want them just to see the environment," said Natan. "We wanted them to experience it."

Graduates of Thelma Yellin have filtered through every level of Israeli cultural life over the years. They include musicians Daniel Gortler, Idit Zvi and Rafi Kadishson, popular singer Doron Mezor and actor Shlomo Bar-Aba. Virtually the entire cast of the movie *Michal Bat 17* were graduates of the school.

But fame has never been one of the aims of the school. According to one of the teachers, "We don't necessarily want them to be artists. What we want is for our students to know and live art, and to have art enrich their lives."


The crowd scene at Kassit (Barry Frydlender)

BOHEMIAN DAYS

THERE AND THEN
Sraya Shapiro

MOSHE GURARY, lover of the arts and stage people, encountered the local Bohemia the day he arrived in Tel Aviv. As it was *Simhat Tora*, there were crowds flocking to the seashore, plodding along the unpaved Allenby Road, past the remnants of the tent town which served as a temporary home for new immigrants. And in the moonlit dusk, Bohemia danced and sang on the beach.

In a way, Bohemia was institutionalized. No membership card was required but *Hevra Trask* was a close-knit fraternity of penniless, jobless workers, poets and adventurers. They were to be seen often at Sheleg Levanon, a bare café where one was served tea or brandy or nothing at all, depending on the day's luck. The Bang Gang were young, disrespectful, actively engaged in sometimes offensive practical jokes. No, Moshe Gurary did not appreciate them very much.

He was young, too, a pioneer of the national revival in Palestine, and looking hard for work. Pulling whatever strings he could, he obtained a place in the stevedores' gang led by Abba Khoushy in Haifa port. This was long before the jetties were built.

"One had to fight Arab stevedores, who did not like our invasion of their domain," he said. Of rather slight build, he was often badly mauled. "Eventually, I was told by my colleagues to quit. They could not tolerate such disgrace any longer."

WITH SOME *protekzia*, he managed to get a job on a building site in Tiberias. He was promised two days' work a week on condition that he looked after the cultural section of the local workers' council, something for which he was well equipped.

"One night I had to organize a reception for a distinguished visitor, Menachem Ussishkin, the Iron Man of the Jewish National Fund, and introduce him as a speaker. When the evening was over, Ussishkin told me to come and see him next morning at nine.

"He was still eating breakfast and my mouth watered as I watched him. He told me gruffly to report at his office in Jerusalem the following day, because I was going to be sent as an emissary to some East European countries."

When he returned after a year, Ussishkin told him he was to prepare to go abroad again.

" 'I'll go,' I told him, 'but only on condition that after I get back I stay put here.' To which he replied sternly, 'Young man, nobody makes conditions to Ussishkin.' "

However, the chutzpa paid. Moshe Gurary was put on the JNF payroll. Which meant job security, and a salary paid more or less regularly.

MEANWHILE, the Bohemian scene was changing rapidly – a couple of years was like a generation in the febrile society of those days. Moshe Halevy, of Habimah fame, arrived in Tel Aviv and trained a group of youngsters to play in a workers theatre that he called Ohel, the tent. A newcomer from Paris might have judged the acting a bit heavy; but for the local public, starved as it was for good theatre, Ohel was a revelation. Also, it had an ideological background – a major component of anything cultural at that time. Premieres and performances outside Tel Aviv were followed by banquets (tea and buns) and an abundance of long speeches, lasting far into the night.

With the emergence of Ohel, Bohemia became more civilized, more intellectual. Ohel opened its wooden shack near the seafront to art-loving intelligentsia for a friendly chat in the evenings.

And soon Luba, a fiery young brunette, opened Kassit, the café in Ben Yehuda Street that was to become famous in the annals of Israel's literary history.

Over the years it changed its address, and its name more than once, but finally moved to its present home in Dizengoff Street. When Luba retired, it was taken over by her partner, who changed his name to Hazki Ish-Cassit.

It was the habit of the theatre people to drop into Kassit after their performance, late at night, and poets used to play chess there in the afternoon.

Luba (nobody knew her surname) won the gratitude and respect of her clientele, for she never reminded anyone of an outstanding debt, Gurary recalls. Having a steady income he was in a rather privileged position, that of a true friend and an occasional speaker at the artists' gatherings.

Gurary's most dramatic memory, however, has nothing to do with artists or the theatre. In 1951 he was secretary of the joint Jewish Agency–government coordinating committee when the prime minister, David Ben-Gurion, made an impassioned speech supporting the idea of asking Germany for reparations.

"Ben-Gurion was at his visionary best," Gurary recalls. "Everyone present was thrilled. Even the stenographer was open-mouthed. And that historic oration was never recorded."

Mixed success

MUSIC

SONG RECITAL – Marilyn Horne, mezzo-soprano, with Martin Katz at the piano (Mann Auditorium, Tel Aviv, March 22) Purcell: Sweeter than Roses (from "Pausanias"); Thomas Arne: Oh too lovely (from "Artherxes"); Handel: Iris, hence, away (from "Semele"); Schubert: Im Frühling; Liebhaber aller Gestalten; Der Doppelgänger; Fischerweise; Rossini: four songs; Barber: six songs; De Falla: Seven Spanish folksongs.

WITH expectations perhaps running too high, Miss Horne's recital was regrettably not what we had anticipated. Time seems to have made inroads on her voice and besides some impressive numbers we also had to accept performances which did not give us at all what we had hoped for. Of course, the powerful voice, the impeccable technique and the grand operatic gestures are still all there, the tonal quality seemed unstable. While there were some beautiful tones, there were others that irritated. Even musically she was not always convincing.

Miss Horne presented us with a most interesting and unconventional programme, but not all the numbers suited her and there was not enough variety of vocal colour and musical approach. Purcell and Arne, despite the *pianissimo* with which she began both, did not sound idiomatic.

The same must be said of Schubert, whose *Lieder* emerged rather stiff and lacking in any kind of feeling.

The first group of songs deserving of unqualified praise were Rossini's, which somehow seemed to mellow Miss Horne's timbre and introduce a more clearly definable interpretative approach.

Much time and energy were wasted on the six uninteresting Barber songs, which not only proved poor in content but encouraged monotonous presentation. However, they were followed by a more colourful performance of the De Falla folksongs, which displayed deeper musical involvement and sharper stylistic definition. Finally, it was the Carmen Habanera, added as an encore, that brought the evening to a close with aplomb and bravura.

Martin Katz's accompaniment often caused us to switch our attention from the singer to the pianist. His performance was superb. He not only provided most reliable support, but surprised us with a most pleasant touch and an arresting shaping of musical ideas.

MUSICAL EVENING with the participation of Menachem Breuer, violin; Miriam Hartman, viola; Michael Haran, cello; Eli Eben, clarinet; Michael Felsenstein, baritone; Alexander Volkov, piano; musical direction: Michael Haran (Tel Aviv Museum, March 20). Brahms: Trio for Clarinet, Cello and Piano, Op. 114; Schumann: Four Songs; Brahms: *Sonatensatz* for violin and piano; Schumann: Piano Quartet Op. 47 in E-flat major.

THIS CONCERT of Brahms and Schumann induced a deeply romantic atmosphere. As clarinet, cello and piano do blend easily, the Trio poses a severe problem: each part is completely exposed and can easily be scrutinized. The three participants, however, coped with all the problems most successfully. Though deeply absorbed in their respective parts and reflecting on each phrase with loving care, they combined the different textures into a unified ensemble of wonderful chamber music.

The Trio was followed by the four Schumann songs, which surprisingly turned into the highlight of the evening. The name of Michael Felsenstein was completely unknown to us, but with his first phrase in *Widmung* we knew that here was a precious addition to our small cadre of male singers. Being a new immigrant from Austria, he possesses a perfect German diction and seems already an accomplished lieder singer. Though his voice is not very voluminous, it possesses an arresting mellowness. Felsenstein conveyed the emotional contents of the songs with remarkable conviction and his vocal line in all four songs was finely and sensitively formed. This gifted singer should quickly take a more active role in our musical activity. Volkov at the keyboard was an inspiring partner.

Brahms's *Sonatensatz* did not provide very much interest, but with Schumann's piano quartet we could again fully enjoy the marvels of romanticism's perhaps most noble exponent. The four musicians, although constituting an *ad hoc* ensemble, achieved excellent cohesion and brought out all of Schumann's lyrical beauty.

BENJAMIN BAR-AM

THE SYMPHONY ORCHESTRA of Tel Aviv University's Rubin Music Academy – Hans-Dieter Resch (W. Germany) conducting, with Philip Lurie, pianist (Bar Shira Auditorium, Tel Aviv University, March 20). Stravinsky: Concerto in D; Mozart: Piano Concerto, K. 467; Schubert: Symphony No. 6.

IT TAKES attentive listening to appreciate musical performance. To gauge the performer's ambition, however, simply requires a glimpse of the programme. Thus, the repertory choice for the latest among the infrequent public appearances by the Tel Aviv Music Academy Orchestra reflected anything but an excessive caution. The technical and stylistic demands of a Stravinsky–Mozart–Schubert programme could challenge *any* ensemble, let alone an inexperienced student body.

Happily, the gamble paid off – to a considerable extent, anyway. For even as the tone of the strings and winds did not always blend, the violins sounded strange in the upper dynamic range and the entrances lacked ultimate precision, the happy sensation of music-making never failed to come through.

Hans-Dieter Resch of Frankfurt, an affable, fatherly figure on the podium, led his charges with obvious involvement. His preference for full sonorities and unforced musical flow, avoiding extremes of speed and mood, worked wonders in the Schubert symphony. Here, everything seemed to tick just right – the pace of each movement, the subtle phrasing, the precise teamwork turned out a near flawless rendition.

The conductor's attitude fit less the dynamic Stravinsky, which emerged too ponderous and heavy. The Mozart concerto, too, had only to gain from a lighter, more transparent orchestral texture.

The pianist, Philip Lurie, who was chosen for the solo part as the winner of the Arianne Katz competition at the academy, displayed skill and aplomb. His technical dependability, lyric intensity and overall musical authority, coupled with an unassuming stage demeanour, bespoke a young artist worth watching.

ELI KAREV

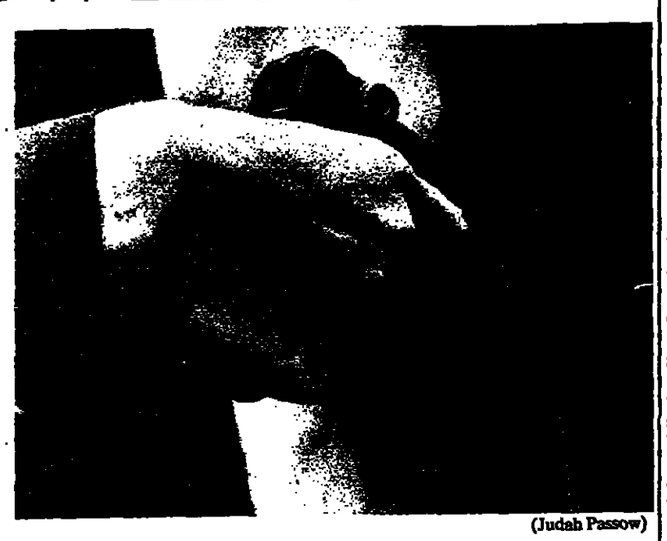
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The confessions of a Moscow mole

JOHN DORNBERG
Special to The Jerusalem Post



(Judah Passow)

MUNICH. – Heinz Felfe, 68, balding, grey-haired and bespectacled, looks and speaks like a retired German civil servant, which in fact is what he is. There's only one hitch. He draws his pension neither from the West German government, on whose payroll he was for over a decade, nor from East Germany, where he now lives, but from the Soviet KGB in Moscow, which he served even longer.

You might call Felfe a mole's mole. In his heyday about a quarter century ago, he was one of the most notorious figures on the stage of East-West espionage. He first made headlines, and caused the West German government of then chancellor Konrad Adenauer excruciating embarrassment in 1961 when, as the top counter-spy officer in the *Bundesnachrichtendienst*, West Germany's CIA, he was exposed and arrested as a KGB agent who had effectively compromised the agency's operations for more than 10 years.

Felfe was tried and convicted in a West German court in 1963 and sentenced to 14 years in prison. In 1969 he was traded in a spy-swap for 21 Western and West German agents who had been caught in the Soviet Bloc and East Germany. Now Felfe is making headlines and embarrassing the Bonn government again with the publication of his "memoirs," published – you guessed it – in West Germany.

The handsomely bound, photo-filled, 384-page tome has the title *Im Dienst des Gegners – Zehn Jahre Moskaus Mann im BND*, which translates roughly as "In the Service of the Enemy – Ten Years as Moscow's Man in the CIA." The price is DM 39.80 (about $18) and the initial press run, according to Felfe's West German publisher, Rasch and Roehring Co. of Hamburg, is 10,000 – enough to give it a boost onto the best-seller list.

To make sure it does get on, the company paraded Felfe recently at a network-televised press conference, publishing party and autographing session in East Berlin's fancy Palast Hotel the other day. James Bond was the last thought that came to mind as one watched Felfe field questions from correspondents and sign copies of his book, but his story was proof that truth – if indeed that is what he was telling – can be stranger than fiction.

FELFE, WHO claims that he taught criminology at East Berlin's Humboldt University from the time of his 1969 swap until his retirement three years ago, was indeed a super-spy. From the time of his hiring in 1951 until his exposure in 1961, his job at the West German agency, headed by former Wehrmacht General Reinhard Gehlen, was to supervise counter-espionage operations against the Soviet Union. His civil service rank was equal to that of a colonel.

Actually, he worked for the Soviet KGB, which he supplied with 15,000 micro-film and micro-dot photos of top secret Gehlen agency files during a period of more than a decade. He allegedly compromised and exposed 95 West German agents operating in East Germany, Eastern Europe and the Soviet Union, a charge that Felfe vehemently denied during his press conference.

Though Felfe was merely one of an estimated 10,000 Communist spies believed operating in West Germany at the time, his case was a matter of excruciating embarrassment to the Adenauer government. There was his high rank, the sensitivity of the information he had shipped almost wholesale to Moscow, and there was the laxity of West German security that it exposed.

Felfe's greatest coup was that he continued to spy even after being caught and arrested in November 1961. He kept right on supplying the KGB from his cell at Stadelheim Prison in Munich. Using home-made invisible ink, he wrote reports about the methods of his interrogators – between the lines of letters and postcards to a fictitious aunt in East Germany.

But there was even more than his duplicity and the breach of security. Felfe's case cast an ominous shadow on the Adenauer administration and the Gehlen organization, because he was the embodiment of the Nazi "old boy" network with which Gehlen, operating under American sponsorship, built up the spy agency in the years after World War II.

NOT ONLY is Felfe a former KGB agent, but he is a former SS officer. During the Hitler era and the war he was a senior lieutenant in the SS and an intelligence operative of the *Reichssicherheitshauptamt* (RSHA), the dreaded Nazi chief security agency that operated under Heinrich Himmler.

Though he claims in his book, and insisted at his press conference, that he knew nothing about the Holocaust, from 1943 on Felfe was the chief intelligence officer at the RSHA office in Gliwice, Poland and travelled often to Cracow, a journey that took him right past Auschwitz and other Nazi death camps.

That background and record deterred neither the KGB from coopting him after the war, the U.S.-supported Gehlen agency from hiring him, nor the Adenauer government from giving him high-ranking, tenured civil service status.

Felfe describes himself today as a "dedicated young career police officer" who was no more nor less taken in by Nazi propaganda and Hitler than the vast majority of other Germans of his generation. It was only when the war ended, he says, that he began to see the light. That was also when his career seemed over, "like a car that has run out of gas." He began looking for a new berth under a new master. "I chose the Soviets, as did many others, just like many chose the Americans," he says. "Both were the new rulers of Germany."

Felfe, by his own admission, joined the KGB in his native East Germany, then the Soviet occupation zone, and was eventually ordered to penetrate the embryonic Gehlen agency as a mole. During the more than 10 years he was a double agent, he concedes candidly, he received a double salary: one from Bonn, and the other from Moscow which, he says, now pays his retirement pension.

AFTER HE was swapped in 1969, says Felfe, he met other top agents, including Guenther Guillaume, the East German spy in the West German chancellory whose arrest triggered the 1974 resignation of then chancellor Willy Brandt, and Rudolf Abel, the KGB colonel caught in the U.S. in the 1950s and later swapped for U-2 pilot Gary Powers. But on the whole, he maintains, after getting his doctorate at East Berlin's Humboldt University, he has led a quiet academic life teaching criminal science there.

During his press conference Felfe announced that he is a citizen of both East Germany and West Germany, and pulled out an expired West German passport to prove it. The gesture was an obvious swipe at Bonn's controversial refusal to recognize East German citizenship and the claim of West Germany that it represents all Germans, East or West.

One question being asked in Bonn is why the usually-so-secretive KGB would give Felfe the go-ahead to publish his book as a commercial venture in the West.

The answer, after a quick perusal of the lengthy tome, is obvious. It is filled with tidbits of secret, classified and background information that cast a shadow not only on the Adenauer era but on West German governments since then, particularly those under Christian Democratic chancellors. He writes with abandon about fake charities and dummy companies that the intelligence agency, based in Pullach near Munich, established all over the country.

These fronts, he alleges, were used not only to hire spies and operatives but to spy on West Germans, an often alleged but never really proven violation of the agency's mission and authority.

Beyond that, however, it is not particularly exciting reading. The language is what one would expect from "a career police officer" and German civil servant. Alas, Felfe doesn't even disclose the formula for the invisible ink he made in prison here, an omission that raises a question. Is he really as retired and pensioned as he claims?

Once a spy, always a.... Well, you know the line. But there's another thought. Like soldiers, old spies never die nor fade away. They just write their memoirs.

The only way to go

Yitzhak Oked contrasts the perils of driving to – and in – Cairo with the comfort of bus travel.



Tourism Minister Avraham Sharir (right) *with Egyptian consular official before his recent trip by bus to Cairo.* (Israel Sun)

FOR THE VACATIONER who feels the only way to travel is by car, the only foreign destination is Egypt.

Yet the private motorist will find crossing the border to be "Mission Nearly Impossible," because of masses of Egyptian red tape one encounters en route. Experienced travellers who prefer the open road to sea or air will tell you that this is actually a blessing in disguise: Relying on buses to get you to Cairo and taxis once you're there will spare you the trouble of wrestling with traffic in the Egyptian capital.

Seasoned drivers who have braved some of the toughest roads in the world throw up their hands in despair at the thought of competing with Cairo's super-congested traffic.

"The first thing I do after landing in a foreign country is to rent a car," says one Israeli businessman who spends most of his time travelling abroad. "But there is no way in the world I would dream of renting a car in Cairo. I think I would go crazy in 10 minutes or less there. And believe me, I'm a good driver and enjoy driving."

Another Israeli businessman, this one living in Cairo, says that he and most foreign businessmen there have Egyptian drivers. A third businessman, who hates to fly but has to travel to Egypt several times a month, is driven to the border by his Israeli driver. He then crosses on foot into Egypt where an Egyptian driver with a similar Mercedes is waiting to speed him to Cairo.

For the average Israeli with neither Mercedes nor private chauffeur, direct buses leave Tel Aviv four times each week for the 490 kilometre trip to Cairo. All are air-conditioned, have reclining seats, a pleasant atmosphere and professional drivers.

Besides the traffic, visitors should not drive into Cairo for other reasons, including the lack of road signs in English (they are all in Arabic). Another reason is, of course, Cairo's drivers. I used to think that Italians were the most madcap drivers on earth, but now I think they can take refresher courses in Cairo.

Nearly all the cars I saw in Cairo bear the scars of travelling fast and close to other vehicles – dents and scratches abound. The drivers toot their horns liberally. Moreover, there seems to be an unwritten code of road courtesy which complements the art of weaving dangerously through traffic.

While sitting in the front seat of a taxi, I pressed my feet onto an imaginary brake pedal and closed my eyes at the sight of some of the kamikaze maneuvers displayed before me. After 10 minutes, though, I came to realize that the taxi had not been in any accidents and that Ahmed, my driver, was a virtuoso – a Yehudi Menuhin of the driving profession.

In fact, during two days of taxi travel around the city, I did not see *any* traffic accidents or drivers cursing one another.

Travellers may be discouraged from going to Egypt at all, especially in the wake of the recent slaying of an Israeli diplomat's wife in Cairo. Foreign Ministry Director-General David Kimche says there is no official policy on whether Israelis should visit Egypt; it is a purely personal decision.

Yet, Israeli tourism to Egypt continues.

"We believe in the peace with Egypt," Yosef Horovitz, the chairman of the Dan bus cooperative secretariat says. The cooperative's United Tours subsidiary is one of three running a Tel Aviv-Cairo line – together with East Delta, the Egyptian government-owned bus company.

"We also believe that the operation of this is the best proof that there is peace," he says.

The trip is long and some of it monotonous – seemingly endless stretches of straight highway are bounded by little more than sand dunes. Despite being tired and having taken a lot of reading material for the journey, I kept my eyes on the route most of the time, enjoying the scenery.

The sight of towns such as el-Arish or even such favourite spots as Nahal Yam brings back memories for many Israelis. One can also see that the Egyptians have started developing the area and have widened the roads.

Crossing the border at Rafiah should prove to be an interesting experience for Israelis who have only crossed their borders under military orders. There is paperwork to be done on both sides, but, if one has done his homework properly and does not try to break the law, the crossing should go without a hitch.

United Tours' No. 100 line leaves Tel Aviv's central bus station Sunday and Wednesday at 7:30 a.m. and arrives at Cairo's Abassiya bus terminal between 3:30 and 4:30 p.m.

East Delta's buses leave Tel Aviv Monday and Thursday at 7:30 a.m. and the return bus leaves Abassiya on Sunday and Wednesday at the same hour.

Horovitz said United plans to start picking up tourists at their hotels in Tel Aviv and Cairo as early as next month. The price of a round-trip ticket is slated to be cut from NIS 60 and will include two nights at a Cairo hotel.

United Tours has also inaugurated two new buses boasting rest rooms and extra horsepower for the route. Tourism Minister Avraham Sharir, who was a guest on the first run, seemed to be enjoying the ride. One of his aides said, "If he closed his eyes he would think he was on an airplane."

Other bus companies have service to Cairo, including Galilee Tours which has daily departures from Tel Aviv. However, passengers must transfer onto Egyptian buses at the border – for example, Galilee Tours passengers must board buses operated by the Emeco Travel Company.

Under the peace agreement, one company from each country may be the official carrier, allowing it to operate its buses in the other country. Egged was the first Israeli bus operator appointed to handle the route.

Still buying up cars

Yitzhak Oked

ISRAELIS ARE buying cars twice as quickly as they were before the recent price hike went into effect several weeks ago.

Prices were raised by between 12 and 35 per cent, depending on which foreign currency is used by auto importers here.

Yisrael Tchetchik, an official of the Automobile Importers Association and the general-manager of Champion Motors (importers of Volkswagen and Audi), told *The Jerusalem Post* last week that the price hike has not dampened the country's desire for cars.

"Many Israelis have been wanting to buy a new car, but during the price freeze some importers, including myself, were not receiving short-term orders," Tchetchik said.

"Another reason is that the government has not approved a price increase that would have completely covered all the increases in our costs on sales during the price freeze," he said.

"Our German-made cars, for example, are being sold for about 18 per cent less than what we should be charging.

"On top of that, a new price freeze was imposed after the price hike. It seems that many Israelis are guessing that prices will rise considerably again, so the sooner they buy a new car, the better it will be for them."

THE RECENT price hike will discourage many motorists considering the purchase of small cars (with 1,000- to 1,300-cc engines), according to Tchetchik. However, the fastest sales will be recorded for larger cars (1,300- to 1,800-cc engines), which are sought by business people and companies and are the cars of choice for people allowed to purchase them duty-free.

Big cars (1,800-cc or larger engines) have a small but stable market, Tchetchik said. Those who can afford to buy them can also afford the price increase.

Cars that have been most popular will continue to sell well, he said, while cars which have had a limited appeal will not.

Spare parts should not be difficult to obtain, he continued, explaining that he had not heard complaints from dealers or importers. Prices can be expected to increase on auto repairs, however, because they have been frozen since July.

Car rental companies are renewing their fleets this year as they have before – to the relief of auto importers. However, the rental industry depends primarily on tourists for its business, and tourism here may have a difficult year.

While the government approved a 35 per cent price boost, the prices for Fiats will be increased by just under 17 per cent, according to Shlomo Arad, general manager of Mediterranean Car Agency, the Israeli importer of the Italian-built vehicles. The prices will be in effect until the end of April.

On the market

THE SUBARU DL 1.3 litre (four door) is the most popular Subaru in Israel. From September 1985 until the beginning of March this year, 5,200 of them were sold. The current price of the DL 1.3 is NIS 17,915 (including VAT), and NIS 20,078 with the compulsory deposit.

The Subaru Justy (J10) gets approxiamtely 18 km. per litre of fuel when driven at a normal speed of 90 km. hr. From September 1985 until March this year, 829 were sold. The Justy which has 1.0 cc. engine, costs NIS 12,903 including VAT and with the compulsory deposit it's NIS 14,460.

Voodoo pays the price

BEN BARBER

PORT AU PRINCE, Haiti. – The scattered cement chunks of a Voodoo temple are testimony to the hatred released in Haiti since Jean-Claude Duvalier fled to France on February 7.

"Hunt down the Macoutes, hunt down the houngans (Voodoo priests)," reads graffiti scrawled on the destroyed temple and home of Joseph Jolisien.

"This is where he buried people alive – he and his wife were very bad," said Nicole Victor, 20, a resident of the Fort National working class neighbourhood of this city.

Jolisien is, in fact, a "Boko" – a priest devoted to the evil side of Voodoo: casting spells for revenge, control and the like. Like many such bokos, he was identified with the 29-year reign of terror of the Duvalier family.

"Just before Duvalier left there was a state of siege – Jolisien made a lot of music so people would come and then he killed them – we found eight bodies all chopped up," said Victor. The white-haired sorcerer fled into the mountains before a mob of *dechoukers* - literally "uprooters" – smashed his home and temple.

But other priests, including houngans said to be good priests, have been beaten and killed by mobs since February 7. The attacks are tapering off, but one houngan fears the Catholic and Protestant churches hope to take advantage of their current popularity as the vanguard of the revolution and uproot some of the voodoo beliefs.

VOODOO IS the religion of the African slaves imported by the French to work Haiti's plantations in the 17th and 18th centuries. Although many lurid tales of zombies and evil sorcery have come from the Voodoo culture, its ceremonies largely serve universal human longings for consolation in grief, support in troubles of business and love, and an explanation of the afterlife.

"This is one of the most brutal aggressions in history against Voodoo – no one can know how many have been killed," said Max Beauvoir, a houngan.

"Before, aggression was done by foreign priests, but now it's done by Haitian priests," said Beauvoir. "They send squads of young hoodlums called Christian Youth – they have decided to exorcise the country from African evil."

"The Church does not support attacks on Voodoo," countered Rev. Joseph Augustin, 64, a widely acclaimed Creole-language broadcaster for Catholic Radio Soleil. "Voodoo is a popular culture. It is superstition and the mentality of seeing divinity everywhere – seeing messages in events. The houngans are not bad, they work to protect health and bless fields.

"But some houngans are also boko – evil. Duvalier used the bokos and many were Macoutes (militiamen). I remember when François Duvalier built a Calvary scene with Jesus and a crucifix at Rue du Peuple. Then he dug a hole and buried people and pigs alive together. That was the diabolical terror of François Duvalier. Now the people want to get rid of the bokos as well as the macoutes.

But Augustin says the church does not support any violence, either against bokos or macoutes. "The church hopes that, with education, belief in Voodoo will disappear."

Democracy in Haiti will be impossible without Voodoo, argues Marc Jerome, 66, a houngan in Waney, a suburb of the capital. "We are most numerous – I do not fear anti-Voodoo forces," said Jerome. He sat in his temple next to a burning oil lamp, received devout believers and referred to himself in the third-person, saying: "I am the spirit Simbian Dezo Anpaka Makaya."

He admitted he was afraid of François Duvalier and had refused to work for him. "Many Tontons Macoute were bokos who did evil so now the people can't separate between houngans and bokos. Last week they burned a boko near here."

But Jerome seemed unafraid and unguarded in his temple and walked freely through the mud streets to apparent deference and respect from passersby. "People bring their children to be cured from the bokos. No one can 'dechouker' me. The spirits are more powerful."

(London Observer Service)



Jacques Chirac (Reuter)

Chirac returns

ROBYN SMYTH

PARIS. – Returning for the third time to the Hotel Matignon, the stately 18th century residence of French prime ministers which was hastily evacuated last week by the Socialist Laurent Fabius and his staff, Jacques Chirac can almost walk the corridors with his eyes shut.

Ten years after he left the prime minister's office overlooking the park, declaring that he was being denied the means to govern effectively, Chirac is back at the same desk.

But his memories of the house go back much earlier. It was here, 24 years ago, that he first got his foot in the door of the political establishment. He was an ambitious, totally inexperienced young man who had got himself a job on the staff of the then prime minister and future president Georges Pompidou. Very soon, relaxed, slow-moving Pompidou became aware that he had around him a dynamo of noise, impertinence, energy and speed. Then he discovered that the dynamo was exceptionally astute.

In these gilded offices Jacques Chirac's career was launched as the political son of Georges Pompidou. It was here that Chirac studied the uncomfortable relationship of a prime minister of the Fifth Republic with his president. He saw his hero Pompidou first trusted, then spurned and dropped by his hero, General De Gaulle.

When he experienced the struggle for the second time, Pompidou was dead and he, 42-year-old Chirac, was the prime minister. The president was his former cabinet colleague, Valery Giscard d'Estaing. Chirac lasted two years before resigning angrily in August 1976.

Now, aged 53, he is back in Pompidou's corner for the third round. This time his aim is to gain the strength to escape from the Matignon once and for all in two years time into the most enviable of the city's political palaces, the presidential Elysée on the right bank of the Seine.

THE OMENS are not good. He has a narrow and divided parliamentary majority. He is in double harness with a president who starts out as a political enemy, and their uneasy "cohabitation" relationship is being tried out for the first time.

Few of the followers of Mitterrand and Chirac believe that their non-aggression pact, hammered out in a long meeting at the Elysée before Chirac took office, will hold to the end of Mitterrand's two remaining years at the Elysée. The aim of both is to be the one who comes out on top when it breaks down.

At least this time Chirac knows where he is. He is fully in charge of his own government and – a remarkable development in the Fifth Republic – it is the extent of the president's powers which is in doubt. What has not changed is that, as in the contest with Giscard, Chirac still looks like the blunt, straightforward fighter faced with a clever, devious antagonist. If they were Roman gladiators, Chirac would wield the sword and Mitterrand the net.

CHIRAC'S AUDIENCES love this cross-country runner of politics, who gives the impression that he has never reached the top, but is always puffing up the slope with a look of buoyant good nature.

Last year Chirac hit a particularly bad period, in which his popularity fell as Raymond Barre's soared. Now, with a new biography by journalist Maurice Szafran just out in the bookshops, even normally unimpressed observers on *Le Monde* and the left wing *Nouvel Observateur* are finding subtle cross-currents in the new prime minister's character.

But along his long road, Chirac has been pulled in different directions by over-mighty advisers, and has made decisions and speeches he now looks back on with regret. He has wrestled with a severe image problem, which often induces him to hide his real feelings behind a Philistine mask.

The private Chirac, who has liberal opinions and has made a long study of Chinese art and civilization, is never – his friends complain – allowed to show his face when there is a TV camera around.

"Numerous politicians hide *Playboy* in a wise book," says Françoise Giroud, who was one of his ministers. "With Chirac it is rather a case of hiding a wise book in *Playboy*."

(London Observer Service)

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Preparing for peace

By LIORA MORIEL

IF AND WHEN peace is concluded with Jordan, moshav Ein Yahav in the Arava will be ready for the influx of tourists. "We're only 70 kilometres from Petra, and the border point will probably pass through our fields," says Koby Ben-Ya'akov, director of Ein Yahav's "Orhan" (Oasis Ein Yahav) tourism centre. The road cutting through the fields of melons, tomatoes and aloe vera cacti goes all the way to Jordan – in fact some of the fields now cultivated were once Jordanian.

Until the peace treaty, Ein Yahav must lure tourists from rival attractions along the road to Eilat. There are three other rest stops on the 150km. Arava road from Sdom to Eilat: Ein Hatzeva, Be'er Menuha and Yotvata.

For many years, the gas station and kiosk here were leased to outsiders. The facilities deteriorated to such a degree, recalls Ben-Ya'akov, that the army forbade its soldiers to eat at the place. So two years ago the moshav's 100 families decided to take over the services – with a vengeance.

Yehiel Eisenbaum was asked to determine which businesses the entire moshav should finance and run. He came up with several schemes which are still controversial. "Many people don't realize that it takes time to turn a profit on long-term projects," says Ben-Ya'akov. Farming is still the major money-maker here, with each family growing produce on its own 30 dunams, but tourism – a joint investment – is fast becoming attractive, along with some science-based enterprises.

THE TWO-YEAR-OLD "Orhan" consists of a fast-food kiosk, a gas station and a two-part restaurant.

"When the free trade zone first started in Eilat late last year, our gasoline sales dropped markedly," says Ben-Ya'akov. But with an aggressive sales pitch offering deferred payments and discounts on food, the station now sells five times more diesel fuel than it did in January.

The kiosk sells fast-food that can be consumed quickly and conveniently. "This is primarily for passengers on buses that take a 10-minute break here. We can service several buses at once," says Ben-Ya'akov.

The larger part of the restaurant also caters to bus passengers with longer layovers who want a full meal. The self-service counter, with its own kitchen, has a variety of dishes and room for 130 people at a time. The second restaurant, smaller and with an independent kitchen, is run by three Taiwanese who live on the moshav.

The Chinese restaurant is like a mirage in the desert, simply decorated but with an abundance of plants.

THE BEST SELLER at the regular restaurant, says Ben-Ya'akov, is the home-grown St. Peter's fish. "This is our experimental crop," he says with a smile. "We discovered that we have geothermal water here, some 40°, with healing properties like the ones in Tiberias and along the Dead Sea. The water is potable, and we decided that it's good for breeding fish."

The fish seem to love their unusual surroundings, and the moshav says the water yields 15 tons per dunam, or 15 times the Israeli average. "The fish live in warm water which we enrich with oxygen, and we feed them spirulina algae as well, so they come out juicy and delectable."

As a vegetarian, I had no way of checking this statement, but my companion confirmed that the fish was delicious. So far, the fish are available in Ein Yahav and at hotels in Eilat only, but in several months they will be marketed elsewhere in Israel.

The spirulina algae were first found to be edible and rich in protein by Prof. Amos Richmond of the Sde Boker campus of the Ben-Gurion University of the Negev. Two years ago, Ein Yahav decided to try growing them commercially and today sells them in capsule form.

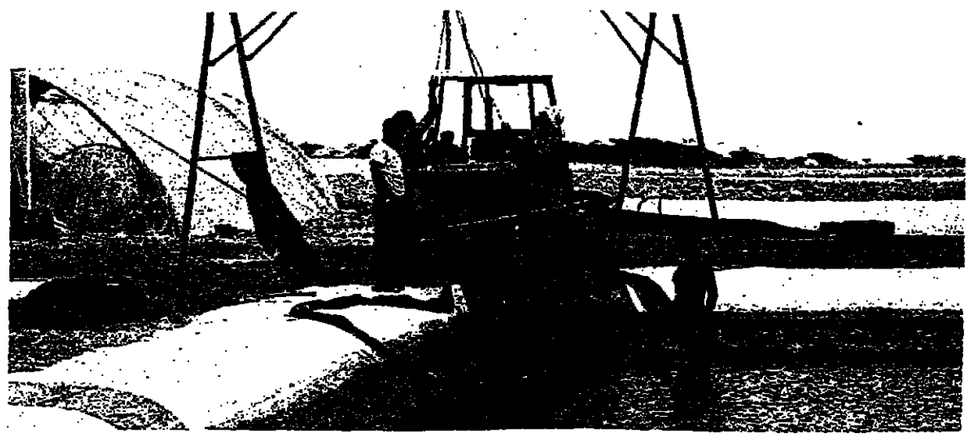
Despite their smell, dried spirulina capsules are good food supplements (or, in the case of dieters, food substitutes), and Ben-Ya'akov says that they are now being tested by Nasa for use in space. Scientists are also trying to prepare spirulina pills that prevent menstrual cramps.

"In five years, we believe that these experimental fields and medicinal herbs will bring us as much money as our fruits and vegetables," says Ben-Ya'akov.

The latest experiment involves the aloe vera medicinal plant that was introduced by a Texas pastor who has a large farm here. The plant's gel is said to be good for cosmetics and as a soothing agent for burns. Apart from its pharmaceutical uses, it is also sold as a potted plant.

The moshav is always expanding its investments – and looking for new ventures. The next one is likely to be a 120-room motel and spa complex.

"We also want to develop desert tourism, with treks and camel or jeep rides along the road to the Ramon Crater, with its spice routes and ancient Nabatean fortresses, wells and so on. But the army is in control and getting permission from the IDF is so complicated that, in effect, there is no way of doing anything," says Ben-Ya'akov.



Fishponds at Ein Yahav (Liora Moriel)

Why the freeze is worthwhile

PURSE STRINGS / David Krivine

THE price freeze is popular. We know now what things cost, and the money left in our pocket keeps its value. But that is not the half of it. The price-freeze has done something more. It has waved a magic wand over the tax system, transforming it from the extortionate racket it had become into something half-way reasonable.

Last year the Treasury collected 55 per cent of its income tax from wage earners and 45 per cent from the business sector. Today (according to Yoram Gabbai, Deputy Commissioner for Internal Revenue) it is the other way round, as is right and proper.

Inflation favoured the business classes but hit the workers hard. Wages rose (nominally) because the cost of living rose. Taxes rose regardless.

A man who earned 85,000 old shekels in April 1984 was getting the equivalent of $500. His wage rose eightfold by July of the following year to IS700,000. He was still earning $500; nevertheless, he had moved into a higher tax bracket. (Tax brackets were periodically adjusted, but only after a soul-destroying lag.)

The self-employed individual faced a completely different situation. The bulk of his tax was payable after the year was over, when an accounting could be made of all his earnings and expenditures for the entire year.

To make the best of this, he bunched his earnings as far as he could at the beginning of the year and his expenditures at the end. Let us for the moment ignore his expenditures. An income of IS85,000 (or $500) in April 1984 would be charged, say, IS34,000 in tax or $200.

By the time he had to defray that IS34,000 in July 1985, it amounted to a mere $25.

There was also a bad side – from our businessman's point of view. If he incurred an expenditure in April 1984 by buying a machine for $300, the local currency cost came to IS51,000, which was tax deductible. By the time he prepared his tax return in July of the following year, the benefit he derived from that deduction had likewise shrunk to a measly $35.

So he postponed purchasing the machine until the following February. Its price was still $300 but the shekel outlay was no longer IS51,000. It was now IS225,000, a much more respectable sum for deduction as a recognized expense.

The situation got to the point where the self-employed artisan reduced his work load during the last quarter of the fiscal year, because any income earned was by then overtaxed (as was the case with employees) and not worth earning. Better to tell his customers that he was not available till the following April, and take things easy in the meantime.

BUSINESS COMPANIES benefited from this earn-early and spend-late routine but less so, because factories have to operate at an even pace throughout the year. They had, however, a serious problem with inventories. Stock worth $1,000 would be assessed at IS170,000 in April 1984 and IS850,000 the following March.

The tax authorities saw the increase – believe it or not – as a profit and taxed it, though the true value of the stock had not budged and was still $1,000.

To try and index-link every bit of income on the precise date it was received and every outlay on the exact date it was defrayed posed impossible difficulties, so the Treasury tried to compensate business firms in a different way. It allowed them to deduct as a business expense any investment they might make during the year, as well as any loss they might suffer on securities in their hands.

What happened? A mad spree of investments swept the economy in 1982 and 1983 – not all of them good, to put it mildly. Moreover, when the stock exchange slumped in 1983, firms that had speculated (and which of them had not?) were able to offset their considerable losses by the simple device of charging them to the exchequer.

All this damaging confusion, Gabbai declares with satisfaction, is behind us now. The shekel is (for the time being) as stable as the dollar; the special tax deductibilities have been revoked; and all honest men are paying the income tax that the law had intended them to pay.

Wage-earners are the real beneficiaries. The average employed person, who previously stumped up 30 per cent of his salary in tax, is now required to pay only 20 per cent – a level which happily complies, Gabbai maintains, with norms prevalent in foreign countries.

The average person's wage after tax has increased – assuming his gross wage unchanged – by ten per cent.

A year ago a man earning $1,200 a month was paying (at the margin) the ceiling tax of 60 per cent. Today he does not hit that bracket until he makes $1,900. Only 3 per cent of the country's employed persons, including company managers, pay a 60 per cent tax on any of their earnings; while one-third are tax-exempt.

The result is that wage earners will be contributing $450m. less income tax to the state coffers this year, whereas the business community will be disbursing $450m. more. The immense, nationwide effort to restore price stability was surely worth undergoing just for that.

Where gambling would pay off

GREER FAY CASHMAN

SEVERAL years ago, hotelier Haim Shiff made an unsuccessful bid to set up a casino in Israel. He was not the only entrepreneur who believed that a casino would help to bolster tourism and to bring additional foreign currency into the country. But like all those before and after him, Shiff got the thumbs-down sign from the authorities – and Israel is still without a casino.

All sorts of arguments have been advanced against the opening of a casino. Fears were expressed in some quarters that the underworld would soon gain control of such an enterprise, and in so doing, would taint the patrons and give Israel a bad name.

Social workers were concerned that low income would disintegrate into no income as heads of economically deprived households risked what little they had to hit the big time on the roulette wheel or at the blackjack table.

In religious circles, there were prominent spiritual leaders who maintained that gambling should not be encouraged in the Jewish homeland. It was unseemly for Jews to gamble, they said.

What all these naysayers neglected to do was to take a long, hard look at how legalized gambling works in other countries.

When it is state controlled, as for instance Egypt, there may be some corruption on the part of individual employees, but with gambling subject to such strict public scrutiny, it is unlikely that anyone could get away with much, if anything. There is no danger of an underworld take-over, because underworld muscle usually stops short of anything more powerful.

With the exception of staff, entry is denied to the local population. Only tourists are welcome – and the reason is self explanatory. Unless they've been involved in black market transactions, the locals possess only local currency. The Egyptians are interested in gamblers who are well-stocked with dollars.

IN HUNGARY, the preferred currency is Deutschmarks. There is an occasional Hungarian on the gamblers' side of the table, but it's rare. In Greece, the regular man in the street will have a hard time gaining admittance to the casino, but the social élite are given the same red carpet treatment as the tourist. Bets are made in drachmas, but a bona fide tourist with passport in hand, can collect winnings in another currency. The same rule applies in Austria, where the casino, which opens at 5 p.m. is a life-saver when the banks are closed. The casino will advance large sums in chips against credit cards, and will then upon request, cash the chips. Although the amounts designated on the chips are in schillings, winners can cash in their chips in dollars or any number of European currencies.

The Austrians have no inhibitions about making the premises available to local citizens and for their part, the locals find this a more enjoyable way to pay their taxes, or if you will, the price of folly.

Thus a state-operated casino would eliminate the possibility of a take-over by criminal elements. As for the apprehensions of social workers, these could be effectively dealt with by limiting non-tourist entry to people prepared to spend $200 on chips. This would ensure that much of the money which has been hidden under floor tiles and elsewhere would find its way to the coffers of the Israel Treasury instead to some foreign country.

Tourists would be required to pay $10-$15 entrance fee for which they would receive a light snack as well as a pass to the gaming tables.

THE FINAL obstacle is the rabbinate which doesn't appear to object with too much vigour to the lottery booths which dot Bnei Brak, Mea She'arim, and other religious communities. Lottery tickets, for totto, lotto and hish-gad and the many raffle tickets for a plethora of good causes are all forms of gambling. The protests are restrained because some of the funding for religious projects comes from the proceeds of these games of chance.

Before the introduction of hish-gad, the only difference between the nation-wide gambling booths and a casino was the nature of the game and the time it took to find out if one had won or lost. The essential excitement of the casino is knowing immediately after the turn of the wheel or the flip of the card whether one is ahead or behind. With the street booths, there is always (with the exception of hish-gad) a waiting period.

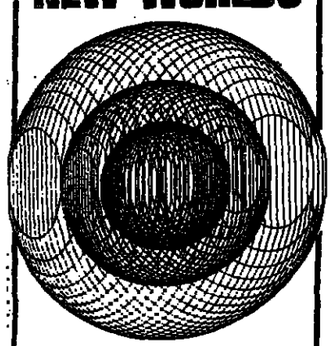
Now if the country is short of tourists and foreign currency reserves are down, surely the people responsible for economic policy should take a fresh look at the concept of building not *a* casino, but several casinos in different parts of the country.

It stands to reason that Eilat would be at the top of the list of locations, but since sun-lovers are already flocking to Eilat, perhaps the first casino should be sited at a less successful resort area. It might be wise to take a leaf out of the book of Hilton International which often constructs a five-star facility in an urban wilderness in which there is sufficient vacant land for at least four or five more hotels.

Israel's first casino – if it ever gets off the ground – should be in some place completely off the tourist track. And from this nucleus a whole new resort area can grow. This would provide plenty of employment for people in the building industry.

It would also upgrade the standard of living in a place such as Yeroham, creating new jobs, a new environment, a renewed sense of self worth and most important an extra dose of medicine to heal the national economy.

NEW WORLDS



Judy Siegel-Itzkovich

Tents, winter melons – and a problem we wish we had

TENTS ARE NOT just for circuses and desert nomads. They are being constructed to top massive, permanent structures everywhere from the sizzling sands of Saudi Arabia to the frigid expanses of Alberta, Canada.

A small band of engineers and architects have recently been preaching the virtues of fabric roofs built to last for two decades or more, according to the latest issues of *Science 86* and *Science Digest*. The roofs are made of translucent fabric woven from fibreglass strands coated with Teflon or silicone.

They take shape by being stretched between masts or arches at high points and anchored on walls or on the ground at low points. In some, the roofs are pulled so tightly that a man can walk across without creating a sag.

The most magnificent example of a tent-building is the Jeddah International Airport in Saudi Arabia, covered with some 600,000 square metres of white fabric and able to accommodate 100,000 pilgrims to Mecca simultaneously.

Although many are sceptical, the proponents of tent roofs say that even delicate fabric, if stretched correctly and firmly fixed into position, can be remarkably strong.

At first, the tent builders tried vinyl-coated polyester, which stretched gradually and turned sticky in the sun. It also produced a poisonous smoke when it burned. Teflon-coated fabric doesn't burn or discolour and barely stretches, but it costs three or four times as much as vinyl-coated polyester. In addition, the roofs must be kept out of the reach of humans, as vandals could easily slice through it with a knife.

The latest development consists of a sandwich of Teflon-coated fibreglass, with woolly fibreglass insulation and dead air caught in between, and a special layer of plastic underneath to prevent condensation from dripping onto the heads of people below.

Since the roof lasts for little more than two decades, it will not likely replace concrete or steel for most construction projects. But tent roofs are being planned for many locations, including the top of Comisky Park, the Chicago White Sox's baseball stadium. Specialists predict that some day the fabric may be replaced by one-molecule-thick glass that looks like plastic wrap and is manufactured in space. The material will be brought back to earth as "see-through steel" and serve as roofs in the worst climates of Canada or Alaska.

WINTER MELONS are being grown in the Arava thanks to hot water from wells dug at Moshav Paran several years ago to obtain water for irrigation.

When the hot water, 55° Centigrade, first sprang forth, the moshavniks wondered what to do with it. They built a special radiator to cool the water so it could irrigate the fields, but this required a great deal of energy.

Experts from the Volcani Institute entered the picture, advising them to stop the radiator's operation and use the heat for growing summer crops in the winter. After three years of experiments, the melons have proved themselves. Because of this year's warm weather, the melons ripened even earlier than usual and earned good prices in foreign markets. The moshav intends to double the area of its greenhouses next year.

IT'S A PROBLEM that Israelis wish they had: having more than one good TV channel to watch at once and a hard time deciding which to watch. In America, there can be two or three dozen network and cable channels, so viewers are irritated by the range of choices.

ITT, the U.S. conglomerate, has invented a two-screen TV set, one of which is of normal size and the other just one-sixteenth the size. Costing about $1,200, the set allows you to monitor a second channel while watching the first, and to switch to the other channel at the right time, when the commercial is over.

TODAY'S ENTERTAINMENT

TELEVISION

EDUCATIONAL:
8.15 School Broadcasts **14.00** American Short Story **14.25** Modern Ballet **14.45** French **15.00** Surprise Train **15.20** Nils Holgersson (part 39) **15.45** Cosmos (part 1) **17.00** A New Evening – live magazine

CHILDREN'S PROGRAMMES:
17.30 Kid Video – animated film
18.00 Book Look
18.25 Motza

ARABIC-LANGUAGE programmes:
18.30 News roundup
18.32 Kid's Club
19.00 Meeting – current affairs
19.30 News

HEBREW PROGRAMMES resume at
20.00 with a news roundup
20.02 Programme Trailer
20.15 Sports
20.30 To be announced
21.00 Mabat Newsreel
22.10 Newspaper Report
22.25 The Black Tower. Part 4 of a 6-part suspense serial, starring Roy Marsden and Art Malik, based on the story by P.D. James
23.15 Quotation Mark – literary programme
23.55 News

JORDAN TV (unofficial):
17.30 Cartoons **18.00** French Hour **19.30** News in Hebrew **20.00** News in Arabic **20.30** Goodnight and God Bless **21.10** Return to Eden – 2nd part **22.00** News in English **22.20** Feature Film

MIDDLE EAST TV (From T.A. north):
13.00 Animals, Animals, Animals **13.30** Another Life **14.00** 700 Club **14.30** Shape-Up **15.00** Afternoon Movie **16.30** Spiderwoman **17.00** Flying House **17.30** Muppets **18.00** Lucy **18.30** WKRP **19.00** News **20.00** Hardcastle & McCormick **21.00** Another Life **21.30** Sixty Minutes **22.30** Paper Chase **23.18** 700 Club **23.47** Genesis Project.

ON THE AIR

Voice of Music

6.02 Morning Melodies
7.07 Mexican Music
7.30 Boieldieu: Overture; Avidom: Spring Overture; Cavalli: Lament; Lainer: Flute Sonata; Glazunov: 5 Songs; Sarasate: "Carmen" Fantasy (Perlman); Rameau: "Pygmalion"; Zvi Avni: 5 Pieces for 4 Clarinets; Chabrier: Gourree
9.30 All Beethoven programme – Symphony No.7 (Vienna/Kleiber); Choral Fantasy (Mehta); Missa Solemnis (Bernstein)
12.05 Emmanuel Gruber, cello; Michael Bogulavsky, piano – Brahms: Sonata, Op.38; Schnittke: Sonata
13.00 Handel: Concerto Grosso; Beethoven: "Egmont" Overture; Piano Concerto No.5 (Ashkenazy, Vienna/Mehta); Mahler: Symphony No.1 (Muti)
15.05 Meeting Musicians
16.00 Vladimir Galai, piano – Mozart: Sonata, K.457; Rachmaninov: "Corelli" Variations; Liszt: Sonata in B minor
17.30 Rossini: Excerpts; Offenbach: Song; Prokofiev: Lieutenant Kije; Bizet: "Doctor Miracle"; Kodaly: Hary Janos
20.05 Elisabethan Songs
20.30 Jerusalem Symphony Orchestra, Sergiu Comissiona conducting; Uzi Wiesel, cello – Natra: "Diary of a Composer"; Saint-Saens: Cello Concerto; Brahms: Symphony No.2
23.00 The Golden Generation – Live Performances at Covent Garden – Giovanni Zantelo in arias and duets from "Otello" by Verdi

First Programme

6.03 Programmes for Olim
7.30 Favourite Old Songs
8.05 Compass – with Benny Handel
9.30 Encounter – live family magazine
10.30 Programme in Easy Hebrew
11.10 School Broadcasts
11.30 Education for all
12.05 Oriental songs
13.00 News in English
13.30 News in French
14.06 Children's programmes
15.30 Speaker's Podium
15.53 Notes on a New Book
16.05 Middle East Crossroads
17.20 Everyman's University
18.06 Jewish Traditions
18.47 Bible Reading
19.06 Lesson in *Tania*
19.30 Programmes for Olim
22.05 Castles in Spain

Second Programme

6.12 Gymnastics
6.30 Editorial Review
6.53 Green Light – drivers' corner
7.00 This Morning – news magazine
8.05 Safe Journey
9.05 House Call – with Rivka Michaeli
10.10 All Shades of the Network
12.10 Open Line – news and music
13.00 Midday – news commentary, music
14.06 Hebrew songs
15.10 Magic Moments
16.05 Songs and Homework
17.10 Economics Magazine
18.05 Any Questions?
18.51 Today in Sport
19.05 Today – radio newsreel
19.35 This Week in the Knesset
20.05 Roots – folklore magazine
22.05 Yiddish songs
23.05 Between Ourselves

Army

6.10 Morning Sounds
6.30 University on the Air
7.07 "707" – with Yitzhak Roeh
8.05 Good Morning Israel
9.05 Right Now – with Dan Shilon
11.05 The Old Days – with Orly Yaniv
15.05 What's Doing – with Erez Tal
16.05 Four in the Afternoon
17.00 Evening Newsreel
18.05 Economics Magazine
19.05 Radio Radio
20.05 Israeli Rock
21.00 Mabat – TV Newsreel
21.30 University on the Air (repeat)
22.05 Popular songs
23.05 From the Classical Record Shelf
00.05 Night Birds – songs, chat

CINEMAS

JERUSALEM 4:30, 7, 9
Eden: Rocky IV; **Edison:** To Live and Die in L.A.; **Habira:** No Milk Today; **Kfir:** Out of Africa; 5.45, 9; **Mitchell:** Ran 6, 9; **Orgil:** Twice in a Lifetime; 5.45, 9; **Orna:** Red Sonia; **Ron:** Swan Lake 4:30, 7, 9:15; **Semadar:** Choose Me 7, 9:15; **Binyenei Ha'uma:** Witness 7, 9; **Beit Agron:** Snow White (Walt Disney) 4; Amadeus 5:30; Papillon 8:30; Godfather II 11; **Cinemathequc:** Moonfleet 7; Deux ou Trois Choses que Je Sais D'elle (small hall) 9; Farenheit 451 9:30; Don't Look Now 12 midnight

TEL AVIV 4:30, 7:15, 9:30
Allenby: Class Reunion 5, 7:30, 9:30; **Beit Leissin:** Diva 11:15 p.m.; **Ben-Yehuda:** No Milk Today; **Chen 1:** A Chorus Line 5, 7:25, 9:45; **Chen 2:** Journey of Natty Gann 5, 7:25, 9:40; **Chen 3:** Year of the Dragon 7, 9:40; **Chen 4:** The Sure Thing 10:30, 1:30, 4:45, 7:20, 9:40; **Chen 5:** Marie 10:30, 1:30, 4:45, 7, 9:40; **Cinema One:** Back to the Future; **Cinema Two:** The Lover; **Dekel:** White Nights 7, 9:30; **Drive-In:** Death Wish III, 7:15, 9:30; sex film, 12 midnight; **Esther:** Stitches; **Gat:** Twice in a Lifetime; **Gordon:** The Official Story; **Hod:** The Coolangatta Gold; **Lev I:** Target 1:30, 4:50, 7:15, 9:30; **Lev II:** Bonnie and Clyde 1:45, 5, 7:30, 9:45; **Limor Hamehudash:** Prizzi's Honor 4:30, 7, 9:30; **Maxim:** Witness 4:30, 7, 9:30; **Mograbi:** Silverado 4:30, 7, 9:30; **Orly:** And the Ship Sails On 4:30, 7, 9; **Paris:** Company of Wolves 12, 2, 4, 7:30, 9:30; **Peer:** When Father Was Away on Business 4:15, 7, 9:30; **Shaf:** Out of Africa 5:45, 9; **Studio:** Jagged Edge; **Tchelet:** Doin' Time 4:30, 7, 9:30; **Tel Aviv:** To Live and Die in L.A. 4:30, 7:50, 9:30; **Tel Aviv Museum:** Favorites of the Moon; **Zafon:** Ran 6:15, 9:30; **Tamuz Hamehudash:** Purple Rose of Cairo 7:30, 9:30 p.m., Deliverance 12 midnight

HAIFA
Amphitheatre: Joy 4:30, 7, 9:15; **Armon:** Silverado 4:15, 6:45, 9:15; **Atzmon:** No Milk Today 4:30, 7, 9:15; **Chen:** American Flyer 4:50, 6:45, 9; **Orah:** Out of Africa 6, 9; **Orly:** Plenty, Mon., Tue., Wed. 11 a.m., 4:30; **Peer:** Clockwork Orange 6:30, 9:15; **Ron:** To Live and Die in L.A. 4:30, 6:45, 9; **Shavit:** Ran 6, 9; **Rav-Gat 1:** Twice in a Lifetime 4:30, 7, 9:15; **Rav-Gat 2:** White Nights 3:45, 6:30, 9:15; **Keren Or Hamehudash:** When Father Was Away on Business 4, 6:30, 9, M.A.S.H. 11:30 p.m.

RAMAT GAN
Armon: White Nights 7, 9:30; **Lily:** Purple Rose of Cairo 7:15, 9:30; Romancing the Stone 4.30; **Oasis:** A Chorus Line 5, 7:15, 9:30; **Ordea:** Death Wish III, 7:15, 9:30; **Ramat Gan:** The Falcon and the Snowman 7, 9:30; **Rav-Gan 1:** Twice in a Lifetime 5, 7:30, 9:45; **Rav-Gan 2:** Marie 5, 7:30, 9:45; **Rav-Gan 3:** Year of the Dragon 4:15, 6:50, 9:30; **Rav-Gan 4:** Jagged Edge 5, 7:20, 9:45

HERZLIYA
David: No Milk Today 4:30, 7:30, 9:20; **Hechal:** Out of Africa 6, 9; **Tiferet:** White Nights 7, 9:30; **Daniel:** Les Nuits de la Pleine Lune 7:15, 9:30

HOLON
Migdal: Doin' Time 4:30, 7:15, 9:30; **Savoy:** Witness 4:30, 7:15, 9:30; **Armon Hamehudash:** American Flyer 5; When Father Was Away on Business 7, 9:30, The Big Chill 11:30

BAT YAM
Atzmaut: Death Wish III, 4:30, 7:15, 9:30

GIVATAYIM
Hadar: Out of Africa 6, 9

RAMAT HASHARON
Kochav: Cinderella 11, 4; Dance With a Stranger 9:30 p.m.; King Solomon's Mines 7.

WHAT'S ON

Notices in this feature are charged at NIS 6.90 per line including VAT. Insertion every day of the month costs NIS 138 per line, including VAT, per month.

JERUSALEM

Museums

ISRAEL MUSEUM. Exhibitions: Art in Context, audio-visual programme on development of Israel Art ◊ Early 20th Century Posters (avant-garde) ◊ Traditional Jewelry, Permanent Display of Jewish Ethnographic Jewelry ◊ Ancient Mirrors, display of mirrors from different cultures ◊ "Friendly Butterfly", illustrated by Orah Eyal ◊ From the Depths of the Sea, (Rockefeller Museum) ◊ Building in Jerusalem, computer games to building with stone ◊ "Nerot Mitzvah," Ideas for Light in Jewish Ritual ◊ The Cosmic and the Divine, Andean textiles ◊ Placescape: 14 artists present versions of surrounding landscapes. (Paley Centre, near Rockefeller Museum). ◊ Permanent collections of Judaica, Archaeology, and Ethnic Art ◊. **Visiting Hours Events Main Museum:** 10-5(includes Shrine of the Book). 11 and 12.30: Adventure in Jerusalem, puppet show. 3: Guided tour of Shrine of the Book in English. 8: New in Antiquities.

Exhibitions

JERUSALEM MAP HOUSE. Old City, 7 Beit El St., 288338, 423547. Roberts, Turner, etc.

Conducted Tours

HADASSAH – Guided tour of all installations * Hourly tours at Kiryat Hadassah and Hadassah Mt. Scopus. * Information, reservations: 02-416333, 02-446271.

HEBREW UNIVERSITY
1. Tours in English at 9 and 11 a.m. from Administration Building, Givat Ram Campus. Buses 9, 28, 24 and 18.
2. Mount Scopus tours 11 a.m. from the Bronfman Reception Centre, Sherman Building. Buses 9, 28, 4a, 26 and 23 to the first underground stop. Further details: Tel. 02-882819.

AMIT WOMEN (formerly American Mizrachi Women). Free Morning Tours – 8 Alkalai Street, Jerusalem. Tel. 02-699222.
ORT. To visit our technological High Schools call Jerusalem 533141; Tel Aviv 396171, 233231, 240529; Netanya 33744.

TEL AVIV

Museums

TEL AVIV MUSEUM. Exhibitions: Dan Kulka (1938-1979). Sculptures, drawings, paintings, photographs. The Want of Matter, a Quality in Israeli Art; 21 elite Israeli artists show work of last 25 years. The Museum's collection of classical, impressionist, post-impressionist and contemporary art. Museum Visiting Hours: Sun.-Thur. 10-2; 5-9. Sat. 11-2; 7-10. Fri. closed. **Helena Rubinstein Pavilion:** Closed for installation of new exhibition.

Conducted Tours

AMIT WOMEN (formerly American Mizrachi Women). Free Morning Tours – Tel Aviv, Tel. 220187, 233154.
WIZO. To visit our projects call Tel Aviv, 232939; Jerusalem, 226060; Haifa, 88817.
PIONEER WOMEN – NA'AMAT. Morning tours. Tel Aviv, 210791. Jerusalem 244878.
HADASSAH VISITORS DEPT. Astor Hotel, Room 01. 105 Hayarkon St., Tel 03-223141.

HAIFA

Museums

HAIFA MUSEUM, 26 Shabtai Levy St. Tel. 04-523255. Exhibitions: **Modern Art** – Reuven Rubin, the portrait in his work in retrospective; Ya'acov Hefetz, Sculptor. 17 Naive Artists. **Ancient Art** – Jewish coins of the Second Temple Period, Egyptian textiles, terracotta figurines, Shikmona finds. **Music and Ethnology** – Jewish costumes. 20 porcelain pieces from the Fela and Natan Celnik collection, U.S.A. Open: Sun.-Thur. and Sat. 10-1; Tue. and Sat. also 6-9. **Ticket also gives admission to National Maritime, Prehistory and Japanese Museums.**

WHAT'S ON IN HAIFA, dial 04-640840.

EASING THE TAX BURDEN

Eilat, special status but no tax haven

Last August the Knesset approved the Eilat Free Trade Area Law (tax exemptions and discounts)-1985, which took effect in November. Readers should not, however, be misled by the similarity in name with the U.S.-Israel trade agreement. Entirely different concepts govern the two situations. (The U.S.-Israel treaty relates to the import and export of goods.) The Eilat legislation provides certain relief from the suffocating tax structure for businesses, self-employed and employees in the Eilat area and gives rise at best to a tax haven in Israeli terms – but one can hardly describe Eilat an an international tax haven!

Imports and Exports Goods imported into Eilat by an approved dealer for sale (in foreign currency only) to foreign tourists or Israelis travelling overseas by air or sea are exempt from all import duties, VAT and other indirect taxes. Israeli-manufactured goods marketed in this manner will enjoy various export benefits.

VAT exemptions The Eilat Law exempts most imported and locally made goods, sold for use in Eilat, from VAT. Specifically excluded from this exemption are cars, television sets, videos and certain other electrical appliances. Also exempted from VAT are the sale of real estate in Eilat and services rendered by local residents, in connection with an asset or event also located in Eilat.

This restriction may exclude many bona fida Eilat service-businesses from the VAT exemption. It is interesting to note that on the sale of goods to an Eilat dealer from outside the "Eilat pale," a *nil* VAT rate (similar to that on exports) will apply.

Exemption from the employers' tax

Employers are generally liable to a 7 per cent tax on salaries, but excluding businesses in industry, tourism, building, and agriculture and certain "approved enterprises." The Eilat Law exempts employers resident in Eilat from this tax on work done in Eilat. In other words, while the employee does not have to be an Eilat resident, the employer does, and the work in respect of which the salary is paid must be in Eilat.

Income tax credit for individuals s Any individual resident in Eilat who earns income from a business, trade, practice, or salary is entitled to a 10 per cent income tax credit. The tax credit applies to taxable income "produced or arising" in Eilat only, and does not apply to income earned elsewhere in the country, even if it is ultimately received in Eilat. The wary taxpayer would do well to plan accordingly. The tax credit may not exceed the actual taxes payable on such Eilat-produced income. It is calculated at the highest marginal tax rate applicable thereto.

Readers should note that the tax credit may not be used for income from property rentals, dividends, interest and so on. Where a salaried taxpayer is unable to utilize the full tax credit in any month, the unused balance may be transferred to a subsequent month in the same year.

Reduction in payroll charges The Eilat Law permits Eilat resident employers who pay salaries for work done in the Eilat area to reduce payroll costs by 20 per cent of such salaries. Such reduction may not exceed employees' witholding taxes from such salaries in any particular month.

Any not utilized portion may be transferred to subsequent months. The reduction itself is effected by set-off against payroll taxes due to be transferred to the tax authorities. Excluded from this reduction are salaries paid to shareholders holding 10 per cent or more of the equity in a private company, or to their close relatives.

Tax haven The Eilat "tax haven" does grant relief on certain import charges and VAT, but their prices (possibly excluding hotels) generally tend to be higher there, ostensibly due to distance and transport costs. While certain businesses may now be exempt from the 7 per cent employers' tax, those in tourism and industry, for example, had such exemption previously.

Even the tax credit granted – to individuals only, mind you – is worth only 6 per cent in real taxes. However, there is a ray of light and that is the very concept of using the tax system as an instrument for directing economic policy positively – and there are, after all, some tax benefit for the taxpayer!

Jeff Broide C.P.A.



El Al general manager Rafi Harlev (centre) helps cut a huge cake at a party at the Daniel Tower Hotel in Herzliya, celebrating the inauguration of direct flights to Toronto. (Jacob Katz)

The right perspective on the U.S. Free Trade Area pact

By MACABEE DEAN
Jerusalem Post Reporter

TEL AVIV. – Is the Israel-U.S. agreement on free trade really a "free trade" deal if the U.S. is able to put stringent quotas on Israeli textile exports?

This issue was argued yesterday between Israelis and Americans, using a special satellite, with one link in the U.S. Embassy here. But the argument itself started before the satellite hook-up began to function, when Minister of Industry and Trade Ariel Sharon noted that there were "difficulties, but I'm sure that they can be thrashed out to the mutual benefit of both sides."

And U.S. Ambassador Thomas Pickering pointed out that "textiles are a trade problem around the world. In most countries they represent an important economic force which cannot be ignored. This is certainly true in the U.S., where textiles and apparel employ 10 per cent of our industrial workers."

When the satellite connection was made, Yoram Radoshitzky, head of the Emek textile factory, and a member of the Manufacturers Association Presidum, took the offensive, saying: "Either we have a free trade agrement or we don't. How can the Americans reconcile quotas with the so-called free trade agreement?"

In Washington, the defence was taken up by Nancy Adams, of the American administration, and Representative William Thomas (Republican, California), who pointed out that if there had been no quotas, there would have been no free trade area agreement at all.

Textile imports were a very sensitive area in the U.S., since considerable numbers of persons worked in raising cotton, in manufacturing synthetic fibres, and weaving cloth, and in making garments.

They constituted a huge political force, and they would not allow foreign imports to turn them into unemployed. The quota system allowed the gradual growth of Israeli exports; any sudden surge of textile exports to the U.S. would cause a severe protectionism reaction.

Yehoshua Forer, Director-General of the Ministry of Industry and Trade, said that "all of Israel's production will not constitute 1 per cent of the American market".

Thomas countered that this was true, but that there dozens of other countries around the world, each of which only wanted 1 per cent of the American market, "and these 1 per per cents add up to a hefty figure."

The satellite hook-up was arranged by the U.S. Information Service and the Israel-American Chamber of Commerce.

Shultz clashes with Turks over textile quotas

ISTANBUL (Reuter). – U.S. Secretary of State George Shultz, facing demands from Ankara for more trade openings in the U.S. clashed yesterday with a Turkish business leader over U.S. textile import quotas. He was speaking at a luncheon here hosted by Sakip Sabanci, head of the Turkish Industrialists and Businessmen's Association, who urged that the quotas be lifted.

Sabanci told Shultz: "If we could export more, we would not need your military and economic aid, and we could pay out debts." Sabanci described as "peanuts" what he said was a total $81 million worth of Turkish textile and ready-to-wear items sent to the U.S. out of $17.1 billion worth of total U.S. imports in those categories.

In his unscheduled reply, Shultz was quoted as saying the Turkish share of the market would rise by 1988 to around two per cent, from one per cent now.

"That is a more forthcoming offer than we have been able to make to any other country," Shultz said in a retort described as angry by a Turkish foreign ministry official. "That's the reality, so there is no point in bringing me here and beating me over the head with it," he said.

INTERNATIONAL TRADE AVI TEMKIN

The Spain-Israel trade equation

Israelis have been impressed by the Spanish-made car, the Seat. They are also apt to scream *gevalt* without stopping to think. This leads to two major developments in Israel's trade with Spain in the last years. The first is the rise in imports from that country from $42 million in 1982 to $86 million in 1985. The second is the panic with which the Israeli government has received Spain's entrance into the European Common Market.

As a result of the new competition from Spanish farm products, Israeli officials and decision-makers have been busy trying to defend this country's agricultural exports to Europe. However, it is more than puzzling that only recently did someone call their attention to the fact that Spain's joining the European Economic Community also has potential benefits for Israel: it could open the Spanish market to Israel-made industrial goods, as the free-trade agreements which Israel has with EEC countries will now apply to Spain too.

In its contacts with Spain, Israel has more than a strong case in seeking to increase its sales of industrial products. The trade gap between the two countries rose from about $20 million in Spain's favour at the end of the 'seventies to some $55m. in the last two years. The rise in imports from Spain stemmed from the aggressive marketing policy of the Spaniards, who grant large subsidies to their exports, especially for vehicles.

Industry Ministry officials admit that political considerations were an important factor in Spain's attitude to business with Israel. The Spanish government's policy was to maintain a low profile in the trade relations between the two countries. Israel had a commercial office in Spain, but it was an unofficial one, and the lack of diplomatic ties seriously limited its scope of action. In addition to the political factors there were the Spanish customs barriers, among the highest in Europe, and a system of import quotas on a long list of industrial products. All that is now going to change as Israel's accords in the Common Market will apply to Spain as well. There is also the factor of the recent establishment of Israeli-Spanish diplomatic ties.

Israel exports to Spain have remained almost stable at the $30 million level in the last five years. There are about 50 major exporters to Spain. Half of Israeli exports were chemical and mineral raw materials, with polished diamonds making up another 10 per cent.

The first sign that things could change was the 1984 agreement between El Al and Iberia on landing rights. Since then there has been growing exchange of trade delegations and participation in fairs.

A commercial delegation from Galicia visited Israel recently and another one from the Basque area is due to arrive in the coming days. A national delegation is scheduled to visit Israel in June.

Israel can offer Spain technological collaboration in the fields of irrigation and development of water projects. In addition it will be possible to interest Spain in some of Israel's products in the fields of medical technology and electronics.

The disappearance of commercial and political barriers should help to narrow the trade gap.

WORLD NEWS

Russians eye Chinese nuclear market

PEKING (AFP). – The Soviet Union, which first put China on the nuclear path, is back bidding for a piece of the huge China market by again offering its expertise in nuclear technolgoy, analysts here say.

Informed East European sources indicated Monday that Soviet First Vice-Premier Ivan Arkhipov proposed during a Monday visit to Peking last week that his country pass on to China civilian nuclear technology, including reactors.

Asked Tuesday about the Soviet proposal, a spokesman for the Chinese Foreign Trade Minstry said "no comment."

The Eastern European sources, saying that their information was based on the minutes of last week's Sino-Soviet talks, had described the Chinese side as expressing great interest in the Soviet offer.

Swiss bankers worried by Marcos decision

ZURICH (Reuter). – Swiss bankers said yesterday that they feared for the international financial image of Switzerland after the government's unprecedented decision to freeze assets held here by ousted Philippine president Ferdinand Marcos.

The Swiss Bankers' Association has said it is "somewhat astonished" by the move, which represents a complete change from the government's refusal seven years ago to block funds deposited in Switzerland by the toppled Shah of Iran.

In 1979, Berne told the new Iranian government it would have to come up with proof that the former Shah had illegally obtained any money held here.

Amoco to drill for oil in Jordan

AMMAN (AP). – Newspapers reported yesterday that Jordan has signed a profit-sharing agreement with the American oil company Amoco for oil exploration. "We have already started exploration in the Jordan Valley and Azraq, and the American company is optimistic," Minister of Energy Hisham al-khatib was quoted as saying by the daily *Ar-Rai*. The Azraq oasis is about 80 kilometres east of Amman.

The English-language *Jordan Times* said the agreement excluded two other eastern desert areas where Jordan already has found oil and is exploring for commercial quantities. The agreement runs for 7½ years and obliges Amoco to dig five exploratory wells.

Growing Israeli tourism to China

PEKING (AFP). – Nearly 100 Israeli tourists visited China in 1985 and even more are expected this year despite the lack of Sino-Israeli diplomatic relations, informed western sources said here yesterday.

The sources, who declined to be identified, said that while some visitors travelled on Austrian, U.S. or other passports, several had used their Israeli passports, having obtained visas in London or Hongkong with Peking's blessing. The Isralis were mostly members of multi-national tour groups, but several came in small, exclusively Israeli parties.

The sources added that several thousand Israelis were on the waiting list of a travel company specializing in China tours.

China to produce Japanese Daihatsu

PEKING (AFP). – A North China automaker and a Japanese firm have signed a contract that will allow China to produce up to 10,000 highly fuel-efficient Daihatsu Charades a year, the New China News Agency (NCNA) said.

The contract was signed last week by the Tianjin Motor Vehicle Company and Daihatsu, which is to supply production equipment and design plans. The report did not say whether the cars would be for sale on domestic or international market.

The Charade consumes only 4.5 litres of petrol per 100 kilometres, making it one of the world's cheapest cars to run, the report said.

China's annual motor vehicle production of about 400,000 units includes mostly out-dated trucks and buses, as well as a small number of old-fashioned passenger cars and a handful of newer models produced in cooperation with foreign firms.

Last year China recorded a $14 billion trade deficit, mainly due to a partly-illegal surge of imports of small cars. Automobile imports have since been drastically restricted.

Portugal's exports improving slowly

LISBON (AFP). – Official statistics released in Lisbon on Friday show that Portugal had its best trade results in the last 10 years last year, with a trade deficit of only 335 million contos (1 conto equals 1,000 escudos, which equals about $6.70).

In 1980, 1981 and 1982, Portuguese exports did not cover even half of imports, but the National Statistics Institute said that last year, the import coverage was 74.3 per cent – also the best result during the last 10 years.

Belzbergs of Canada offer to buy Ashland Oil

WASHINGTON (Reuter). – The Belzberg family of Vancouver said yesterday it had offered to buy Ashland oil in a deal valued at about $1.6 billion, or $60 a share. Ashland declined comment on the offer. The company's shares closed at $52, up $3.75, on the New York Stock Exchange on Tuesday.

In a filing with Federal Securities Regulators, the Belzbergs said they would be willing to bid even higher for the independent oil refiner if the company was willing to enter into "good faith negotiations."

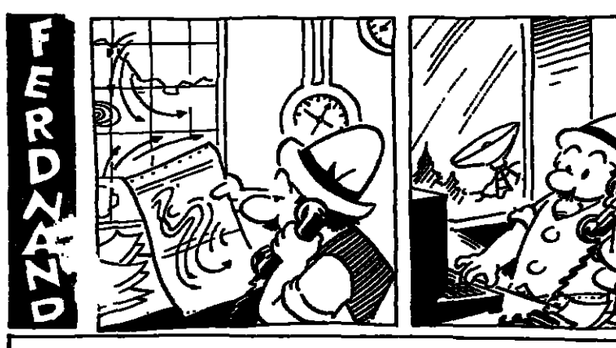
Unusual method of sugar sales in EEC

BRUSSELS. – The Common Market Sugar Users Associations have been invited to submit tenders for some 180,000 metric tons of sugar sold into intervention by France and West Germany. Such sales are very unusual in sugar, in that prices for that commodity are usually a bit above the Community floor price. The EEC Commission has recently tried to lower export sugar prices by rejecting higher export subsidy tenders.

U.S. economy weaker than expected

WASHINGTON. – The U.S. economy ended the year on a much weaker note than expected, as revised Commerce Department figures issued last week showed that the economy was growing by only 0.7 per cent a year in real terms during the fourth quarter of 1985. That was far below the initial 3.2 per cent real growth rate estimated by the department in December for the then-current quarter, and surprised economists by the extent to which it fell short of the 3 per cent real annual growth rate recorded in the third quarter last year.

That latest news means that growth was 2.2 per cent for 1985 as a whole, the lowest since a 2.5 per cent decline recorded in the recession year of 1982.



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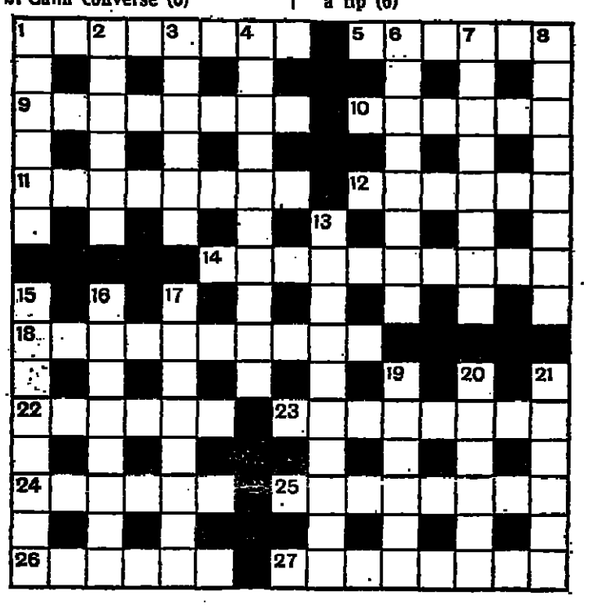
ONE-ON-ONE CROSSWORD

ACROSS

1 Letter written for a piastre perhaps (8)
5 A French lie causing disquiet (6)
9 Hen—red with black spots! (8)
10 Basic security for sailors (6)
11 Flat round insect that's a nuisance on the lawn (8)
12 Many returned bearings wrongly obtained (6)
14 Their rise and fall may well be of interest to outgoing people (10)
18 Originally put a male in control (10)
22 Complete little book in the country (6)
23 Share curiosity (8)
24 A loose relation (6)
25 Appreciate sage as well! (8)
26 A course in evergreen tree shaping (6)
27 Calm converse (8)

DOWN

1 Having a certain leaning (6)
2 A vendor of fruit taking in five hundred pounds (6)
3 Ordered beer at a discount (6)
4 Call in a friend at last (10)
6 Another will complete the score (8)
7 Dicky the Elder, an early English king (8)
8 Irascibility is sent up among seamen (8)
13 Indicating a need for quiet or nursing (10)
15 The strength of the current (8)
16 Feeling it's modish to be frugal with about a hundred (8)
17 A couple of pence increase in value (8)
19 Go over fault (6)
20 To withstand broken rest is essential (6)
21 Serve a non-drinker, getting a tip (6)



GENERAL ASSISTANCE

EMERGENCY PHARMACIES

Jerusalem: Kupat Holim Clalit, Romema, 523191; Balsam, Salah Eddin, 272315; Shu'afat, Shu'afat Road, 810108; Dar Aldawa, Herod's Gate, 282058.
Tel Aviv: Kupat Holim Clalit, 7 Amsterdam, 225142; Arlosoroff, 76 Arlosoroff, 230746.
Netanya: Terufa, 2 Herzl, 28656.
Haifa: Hanassi, 33 Sd. Hanassi, 333312.

DUTY HOSPITALS

Jerusalem: Bikur Holim (internal, E.N.T.), Shaare Zedek (obstetrics, surgery, orthopedics), Hadassah Ein Kerem (pediatrics, opthalmology, E.N.T.).
Tel Aviv: Rokah (pediatrics, internal, surgery).
Netanya: Laniado.

FIRST AID

Magen David Adom emergency phone numbers (round the clock service).

Ashdod 41333	Jerusalem *523133
Ashkelon 23333	Kiron 344442
Bat Yam *5511111	Kiryat Shmona *44334
Beersheba 74767	Nahariya *923333
Carmiel *988555	Netanya *23333
Dan Region *781111	Petah Tikva *9231111
Eilat 7233	Rehovot *451333
Hadera 22333	Rishon LeZion 942333
Haifa *512233	Safed 30333
Hatzor 36333	Tel Aviv *240111
Holon 803133	Tiberias *90111

Mobile Intensive Care Unit (MICU) service in the area around the clock.
101 Emergency phone number in most areas.
"Eran" – Mental Health First Aid, Tel: Jerusalem 227171, Tel Aviv 261111/2, Haifa 672222, Beersheba 418111, Netanya 35316.
Rape Crisis Centre (24 hours), for help call Tel Aviv, 234819, Jerusalem – 245554, and Haifa 88791.
Jerusalem Institute for Drug Problems. Tel. 663828, 663902, 14 Bethlehem Rd.

Kupat Holim Information Centre Tel. 03-433300, 433500 Sunday-Thursday, 8 a.m. to 8 p.m. Fridays 8 a.m. to 3 p.m.

The National Poison Control Centre at Rambam Hospital, phone (04)529205, for emergency calls, 24 hours a day, for information in case of poisoning.

Tel Aviv: Dental Association clinic 49 Rehov Bar-Kochba, Friday: 6 p.m. to midnight; Saturday: 10 a.m. to 2 p.m.: 8 p.m. to 10 p.m. Tel. 03-284649.

Dental Clinic, 25 Rehov Ahimeir, Ramat Aviv Gimmel, Shabbat and holidays: 6 p.m. – 10 p.m. Weekday evenings: 4.30 – 10, Tel. 03-425832.

POLICE

Dial 100 in most parts of the country. In Tiberias dial 924444, Kiryat Shmona 4444.

FLIGHTS

24-Hours Flight Information Service: Call 03-9712484 (multi-line). Arrivals Only (Taped Message) 03-381111 (20 lines)

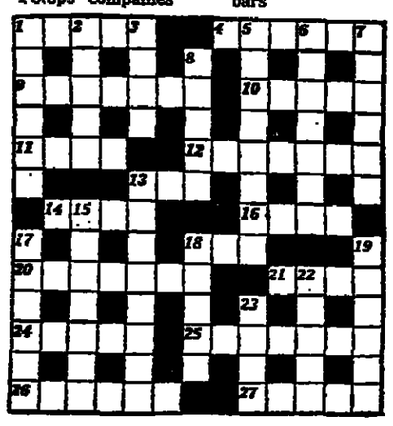
QUICK CROSSWORD

ACROSS

1 Ships' companies
4 Catholic service book
9 Try
10 Game played in bars
11 Precious metal
12 Accept
13 Deed
14 Young sheep
16 Row
18 View
20 Large flightless bird
21 Overtake
24 Vigilant
25 Interval of rest
26 Cleaning cloth
27 Fear

DOWN

1 Alter
2 Praise
3 Identical
5 Denote
6 Overhaul
7 Pay attention
8 Begin
13 A liqueur
15 Woman playing a part
17 Eastern European country
18 Beach
19 Rise
22 Living
23 Second-hand



Yesterday's Solutions



Quick Solution

ACROSS: 5 Thyme 8 Exposure, 9 Usury, 10 Violated, 11 State, 14 Wee, 16 Border, 17 Action, 18 Yet, 20 Stoat, 24 Resonant, 25 Undid, 26 Agreeing, 27 Jetty. DOWN: 1 Leave, 2 Spool, 3 Usual, 4 Freeze, 6 Hesitate, 7 Marathon, 12 Continue, 13 Idealist, 14 Wry, 15 Eat, 19 Energy, 21 Token, 22 Gamin, 23 Stage.

The Sea of Halacha
Map of the Oral Law
Edited by Abba Kovner
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Pears
Tamarin

A beautiful full colour replication of the symbolic map of the same name on display at Beth Hatefutsoth, The Nahum Goldmann Museum of the Jewish Diaspora. It traces the complete chronological development and diversifications of the Oral Law to present day Halacha, graphically identifying the outstanding events, personalities, places, and trends. A superb instrument for teaching adults and children. Edited by Abba Kovner, design and graphics by Tehila Har-Gil, published by Rolnik-Keter Ltd. Size 66.5cm x 94cm. Available in rolled poster form, suitable for framing or as folded poster with detailed reference material printed on the back. Price NIS 10.– each.

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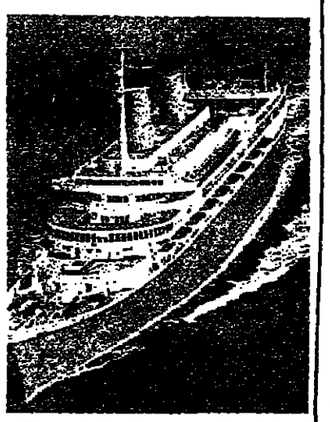
Terrorism hurts tourism to Greece

If Israel and Egypt suffer a decline in tourism as the consequence of stepped-up terrorist activities in the Middle East, Greece is hurting even more.

Alexandros Fotilas, manager of the Epirotiki fleet of 11 cruise ships, said during a visit last week that the drop in American tourism to Europe and the Middle East last December varied from 50 - 90 per cent. Airline companies in Greece are panicking because they are losing business on the transatlantic crossings.

The hijacking late last year of the Achille Lauro had a severely detrimental effect on cruise ship bookings. Asked whether his company had considered reducing the cost of its cruises, Fortilas replied, "the problem is fear, not fare." More than 6.6 million tourists visited Greece last year – an impressive 18.4 per cent upsurge over the previous year. Revenues from tourism (excluding air passage) were more than $1.5 billion.

Although Americans represent only ten per cent of the total of incoming tourists, they account for



The Achille Lauro cruise ship

30 - 40 per cent of Greece's income from tourism.

"How do you convince Americans to come back to Europe and the Middle East?" Fotilas asked a group of Israeli travel professionals. No-one had a solution.

Epirotiki, which calls at Ashdod, used to benefit from Israel's American tourists, many of whom broke their journeys in one direction or the other by taking a cruise on Epirotiki's *Atlas*, boarding at either Piraeus or Ashdod.

"Now, even the American Jews are afraid to come to Israel," lamented Fotilas. The cruise on the *Atlas* was very popular among time-pressed American Jews, he said, because it enabled them to see four countries within a week. The seven-day Mediterranean Odyssey Cruise took passengers to the Greek Isles, Egypt, Israel and Turkey.

Last year, in what Fotilas described as a bad year, the Epirotiki line carried 250,000 passengers. Fotilas is resigned to recording an ongoing downward trend for the major part of 1986. He is cautiously optimistic that the situation may improve around August.

The *Achille Lauro* incident, he said, affected cruise business not only in the Mediterranean but also in the Caribbean. People are afraid of going on cruises.

However, something positive did come out of the Achille Lauro tragedy. Security has been tightened on Epirotiki ships, with spot-checks in the cabins and searches of the contents of suitcases. Casual visitors are no longer permitted aboard at ports of call, and whenever any of the eleven ships are in Greek waters, crew members visited by their relatives must meet them at the dock. They are forbidden to bring them onto the ships.

Epirotiki is the largest cruise ship company in Greece, and the largest in the world, outside Russia. It employs 2,000 crew members and 180 administrative staffers.

World Bank loan for Moroccan education

WASHINGTON (AP). – The World Bank has announced that it is lending $150-million to Morocco to help make education more widely available there.

Some $1.267 billion of the $1.83-billion project is being provided by the Moroccan government, it is stated.

Late bidder offers $1m. above final price of First International

TEL AVIV (Itim). – The sale of the First International Bank to a group of investors headed by Jack Nasser was approved yesterday by the District Court here, despite a last-minute challenge by another group, which claimed to have offered more for the bank.

Nasser's group bought the country's fifth-largest bank last week for $21 million by purchasing a controlling stake in First International's parent company, Fibi Holdings. The latter had been owned by the Danot investment company, which began liquidation proceedings several months ago.

At yesterday's hearing, a lawyer appeared representing an American group headed by investors named Tessler, Neuman and Levy. He said that this group was ready to offer $22m. for the bank, but had not been allowed to take part in the bidding.

Judge Hana Evnor ruled that the bidding had been properly conducted, and approved the sale to Nasser's group.

Oil glut weakens Arab boycott

By WLADIMIR STRUMINSKI

BONN. – The influence of the Arab boycott of Israel has been weakened by the present oversupply of oil. This was reported during a meeting of Israeli economic representatives and agents of Israeli companies in West Germany held here yesterday.

With the oil producers unable to put up a credible threat against consumer nations, the effectiveness of the boycott was distinctly diluted, they said. In addition, Germany's readiness to comply with the boycott was further reduced, as exports to oil-producing Arab countries were shrinking.

The Israeli officials also pointed out during the meeting that a large number of Israeli companies were passing up export opportunities in Germany because of insufficient marketing organisation. Companies whose turnover in Germany does not justify a separate office, should combine their efforts with other firms by establishing joint inventories and offices, the officials said.

They also estimated that Israeli exports to Germany, in particular in the industrial sector, will grow this year in dollar terms due to the strengthening of the Deutschmark against the dollar and because of a rise in the purchasing power of the German public.

The cost of collecting monthly NII dues

By TSIPI KUPER

Some 75,000 people pay only NIS 4 a month in National Insurance premiums, but collecting these dues costs the NII hundreds of thousands of dollars, director-general Nissim Baruch said this week.

He proposed exempting people who have an income of only NIS 40 a month from paying NII dues, while charging more from those whose actual income is higher than they declare. The matter is currently awaiting legislation.

Baruch estimated that some 45,000 people actually have higher incomes. These include yeshiva students who receive monthly grants of about $500 from private sources, he said.

Emirates banks plagued by bad debts

ABU DHABI (Reuter). – Recession-hit banks in the United Arab Emirates (UAE) consider setting up a debt corporation to assume liability for their non-performing loans, central bank governor Abdel Malik Al-Hamar said yesterday. The seven-emirate federation's 19 banks had put aside some 7 billion dirhams ($1.9b.) in provisions for bad debts.

Tel Aviv Stock Exchange

MARKET STATISTICS

Indices:

General Share Index	112.54	+1.12%
Non-Bank Index	128.22	+2.97%
Arrangement	105.46	+0.20%
Insurance	141.87	+3.42%
Commerce, Services	131.54	+3.49%
Real Estate	154.93	+3.49%
Industrials	120.53	+3.11%
Textiles	144.85	+3.46%
Metals	106.86	+0.36%
Electronics	107.26	+5.03%
Chemicals	117.00	+2.85%
Industrial Invst.	121.31	+1.13%
Investment Cos.	134.70	+3.01%
General Bond Index	101.22	+0.14%
Index-linked Bonds	101.29	+0.12%
Fully-linked	102.42	–0.02%
Partially-linked	100.58	+0.21%
Dollar-linked Bonds	99.27	+0.20%
Short-term 0-2 yrs	100.92	+0.14%
Medium-term 2-5 yrs	100.10	+0.13%
Long-term 5+ yrs	100.22	–0.22%

Turnovers:

Shares – total	NIS	10,542,400
Arrangement	NIS	2,064,400
Non-bank	NIS	7,692,100
Bonds – total	NIS	4,143,500
Index-linked	NIS	2,130,200
Dollar-linked	NIS	2,013,400
Treasury Bills	NIS	5,784,500

Share Movements:

Advances	261	(225)
of which 5%+	101	(79)
"buyers only"	18	(9)
Declines	36	(80)
of which 5%–	8	(28)
"sellers only"	2	(2)
Unchanged	104	(88)
Trading Halt	38	(46)

Bond Market Trends:

Index-linked	
3% fully-linked	Changes to 1%
4.25% fully-linked	Changes to 2%
80% linked	Rises to 1%
90% linked	Firm
Double-linked	Changes 1 – 3%
Dollar-linked	
Admon	Slight changes
Rimon	Changes to 0.5%
Gilboa	Rises to 3%
For. Curr. denominated	Changes to 1%
Treasury Bills (monthly yield)	1.43% to 1.56%

Arrangement yields:

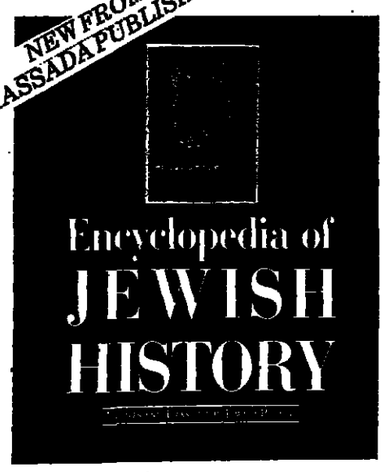
IDB ord.	12.08%
Union 0.1	11.98%
Discount A	12.23%
Mizrahi r.	11.05%
Hapoalim r.	12.09%
General A	11.85%
Leumi stock	12.16%
Fin. Trade 1	10.88%

SELECTED PRICE QUOTATIONS

Name	Price	Volume '000NIS	% change
Commercial Banks (not part of "arrangement")			
Maritime 1	1295	3105	–
General non-arr.	29900	209	–
First Int'l	3755	5525	+1.5
FIBI	3710	8768	+4.8
Commercial Banks (part of "arrangement")			
IDB r	80350	288	–
Union 0.1	58910	89	+0.0
Discount	102200	398	+0.1
Mizrahi	33170	44	+0.5
Hapoalim r	54563	404	+0.3
General A	140250	20	–
Leumi 0.1	34620	2106	+0.2
Fin. Trade	47180	400	–0.0
Mortgage Banks			
Leumi Mort. r	4130	469	+1.5
Dev. Mort.	1075	1760	+0.9
Mishkan r	2012	286	+5.2
Tefahot r	12500	48	–
Merav r	2895	b.o.1	+5.0
Financial Institutions			
Agric C	35000	8	+2.9
Ind. Dev. DD	63792	–	–
Clal Leasing 0.1	8924	175	–
Insurance			
Ararat 0.1 r	4320	1389	+11.0
Hassneh r	2800	5024	+3.3
Phoenix 0.1	1266	439	–
Hamishmar	6400	40	–
Menorah 1	6800	42	+0.7
Sahar r	4700	484	+0.1
Zion Hold. 1	12405	165	–
Trade & Services			
Meir Ezra	3800	107	–2.6
Supersol 2	4200	585	+2.2
Delek r	4715	3161	+4.4
Lightsrage	9350	33	–
Cold Storage	1067	159	+10.0
Dan Hotels	4210	362	+6.3
Yarden Hotel	3199	520	+8.8
Hilon 1	13198	37	+10.0
Team 1	1650	520	–
Real Estate, Building and Agriculture			
Azorim	3910	4039	+9.5
Eilon	1309	2855	+10.0
Africa Isr. 0.1	39800	83	+2.1
Dankner	3750	1043	+7.1
Prop. & Bldg.	2550	5178	+1.8
Bayside 0.1	4380	88	+2.1
ILDC r	45200	220	+1.8
Rassco r	5800	171	+5.0
Mehadrin	5850	375	+6.0
Hadarim	1280	5886	+6.9
Industrials			
Dubek b	3260	862	+2.9
Pri-Ze 1	2272	1899	–
Sunfrost	5825	255	+3.2
Elite	15000	286	+2.4
Adgar	710	2432	–3.4
Argaman r	7646	288	–
Delta G 1	4710	1167	+3.5
Maquette 1	22538	18	+3.0
Eagle 1	9500	58	+6.7
Polgat 0.1	8550	516	+5.4
Schoellerina	15800	69	+3.3
Rogosin	3260	848	+3.5
Urdan 0.1 r	8350	49	–1.2
Is. Can Co. 1	1050	7858	+6.6
Zion Cables	2150	500	+1.0
Pecker Steel	4800	b.o.1	+5.0
Elbit 3 r	436000	65	+7.4
Elron	423000	54	+5.8
Arit	30193	318	–
Clal Electronics	2800	1637	–
Spectronix 1	1800	1687	+5.0
T.A.T. 1	3777	88	+4.6
Ackerstein 1	1440	492	+6.7
Agan 5	18300	54	+3.6
Alliance	1400	579	+7.0
Dexter	3190	60	–
Fertilisers	11020	10	+0.4
Haifa Chem.	899	2905	–
Teva r	52900	279	+3.5
Dead Sea r	14040	2591	+2.8
Petrochem.	398	22886	+7.3
Neca Chem.	3360	150	+1.8
Frutarom	9600	110	+0.3
Hadera Paper	no trading		
Central Trade	6050	463	–
Koor p	4650000	0	–1.1
Clal Inds.	1485	13301	+2.2
Investment Companies			
IDB Dev. r	3820	6293	+5.6
Ellern	2950	1825	+7.1
Afik 1	no trading		
Gahelet	1340	115	+5.8
Israel Corp. 1	7232	384	+4.3
Wolfson 1 r	74000	2	+3.8
Hapoalim Inv.	4010	804	–
Leumi Invest.	4845	1059	–
Discount Invest.	2280	10016	+4.7
Mizrahi Invest.	17201	103	+5.0
Clal 10	2432	3128	–
Landeco 0.1	8300	25	+2.5
Pama 0.1	10250	374	–
Oil Exploration			
Paz Oil Expl.	11000	66	+3.8
J.O.E.L.	1270	1240	+3.3

Abbreviations:
s.o. sellers only **b bearer**
b.o. buyers only **r registered**

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FINANCIAL DATA: ISRAEL, EUROPE, U.S.

Israel Money Markets March 26, 1986

SHEKEL INTEREST RATES
PRIME BORROWING RATE: 1.25% per month
Unlinked Deposit (Annual Rates)

	LAST UPDATED	TAPAS	PAKAM 7-DAY	PAKAM 30-DAY
LEUMI	26.3	8–13%	8–13%	9–14 %
HAPOALIM	13.3	10–12%	11–12%	12–12.5%
DISCOUNT	13.3	7–13%	7–13%	9–13 %
MIZRAHI	18.2	12–19%	12–20%	12–18 %
FIRST INT'L	12.3	6–13%	7–13%	6–13 %

Rates vary according to size of deposit.
(Tapas: demand deposit paying daily interest.
Pakam: fixed-term deposit available from 7 to 59 days.)

PATAH — FOREIGN CURRENCY DEPOSIT RATES (as of March 26)

	3–MONTHS	6–MONTHS	12–MONTHS
USD	6.875	6.875	6.875
STG	10.125	9.375	8.250
DMK	3.875	3.875	3.875
SFR	3.375	3.250	3.250
YEN	4.000	3.750	3.500

Rates vary according to size of deposit and are subject to change.

SHEKEL FOREIGN EXCHANGE RATES

COUNTRY	CURRENCY		CHEQUES AND TRANSACTIONS Purchase,	Sale	BANKNOTES Purchase,	Sale	BANK OF ISRAEL Representative Rates
U.S.A.	DOLLAR	1	1.4842	1.5028	1.44	1.53	1:4897
GREAT BRITAIN	STERLING	1	2.1699	2.1974	2.17	2.27	2.2249
GERMANY	MARK	1	0.6313	0.6392	0.62	0.65	0.6517
FRANCE	FRANC	1	0.2053	0.2079	0.20	0.21	0.2123
HOLLAND	GULDEN	1	0.5591	0.5661	0.55	0.58	0.5773
SWITZERLAND	FRANC	1	0.7630	0.7625	0.74	0.78	0.7775
SWEDEN	KRONA	1	0.2006	0.2031	0.20	0.21	0.2055
NORWAY	KRONE	1	0.2030	0.2056	0.20	0.21	0.2079
DENMARK	KRONE	1	0.1712	0.1733	0.17	0.18	0.1766
FINLAND	MARK	1	0.2827	0.2862	0.28	0.29	0.2900
CANADA	DOLLAR	1	1.0571	1.0704	1.04	1.09	1.0653
AUSTRALIA	DOLLAR	1	1.0560	1.0692	1.00	1.10	1.0678
SOUTH AFRICA	RAND	1	0.6857	0.6943	0.54	0.59	0.7136
BELGIUM	FRANC	10	0.3034	0.3072	0.30	0.31	0.3186
AUSTRIA	SCHILLING	10	0.8990	0.9102	0.88	0.93	0.9286
ITALY	LIRE	1000	0.9288	0.9404	0.91	0.96	0.9586
JAPAN	YEN	100	0.8227	0.8330	0.81	0.84	0.8342
JORDAN	DINAR	1	—	—	4.09	4.34	4.1563
EGYPT	POUND	1	—	—	0.80	0.85	0.8603

SUPPLIED BY BANK LEUMI

European Financial Markets

Precious Metals

GOLD:	LONDON	A.M. FIX	344.90	P.M. FIX	344.30
	PARIS	NOON FIX	345.11	ZURICH P.M.	344.55
SILVER:	LONDON	FIX	557.00		
PLATINUM:	LONDON	P.M.	415.00		
PALLADIUM:	LONDON	P.M.	110.50		

FOREIGN CURRENCY CROSS RATES (London 15.30GMT)
Forward Rates

	SPOT	3 MTHS	6 MTHS	12 MTHS
DEUTSCHE MARK	2.3365/80	115/110	168/163	331/321
POUND STERLING	1.4685/96	100/98	137/134	225/220
SWISS FRANC	1.9595/10	120/112	175/167	347/337
JAPANESE YEN	180.50/60	58/56	89/86	183/179
FRENCH FRANC	7.1850/00	975/1075	1275/1375	1750/1850
ITALIAN LIRA	1588.00/00	2400/2500	3450/3650	6000/6200
DUTCH GULDEN	2.6480/90	91/87	132/128	258/250
BELGIAN FRANC	47.920/940	23/28	30/36	39/45
DANISH KRONE	8.6100/50	25/75	25/75	50/150
S.AFRICAN RAND	0.4677/87	36/31	48/43	80/70
EUROPEAN CURR. UNIT	0.9273/77	38/34	52/47	57/47
FINNISH MARK	5.2260/80	235/275	340/390	650/750
AUSTRALIAN DOLLAR	0.7133/40	122/118	173/168	317/311
NORWEGIAN KRONE	7.3050/80	690/710	1010/1030	2030/2070

Formula for determining forward rates:-
high/low (eg. 220/210) — deduct from spot price.
low/high (eg. 210/220) — add to spot price.

ISRAELI STOCKS Traded in New York:

NYSE and ASE

	Last	Prev. Close	High	Low	Vol ('00s)
Alliance	2¼	2⅜	2¼	2¼	6
Am Isr Pap	12⅛	11¼	12⅛	11⅛	138
Ampal	2½	2⅜	2½	2⅜	307
Elscint	2⅞	3	44¾	44¾	143
Etz Lavud	14	13¾	14	14	4
Laser Inds	14½	14⅛	14½	13⅝	186

Over the counter

	last	bid	ask		last	bid	ask
Bank Leumi	–	21	23	Interpharm	–	4¾	5⅛
Elbit	8	7¾	8	Optrotech	9½	9½	10
ECI Tel.	6½	6½	7	Rada	–	10⅛	10⅜
Elron	8¼	8⅛	8½	Scitex	7⅛	8⅞	7¼
Fibronics	13	12⅞ 13⅛	Taro-vit	–	3¾	4	
IDB Bank	–	49	53	Tevapharm	–	3¾	4⅛
IIS	4⅛	4⅛	4⅛	SPI	6½	6½	7⅛

New York Financial Markets

WALL STREET Closing Prices

Dow Jones Indices

IND	1,810.70	+32.20
TRANS	816.24	+12.63
UTILS	189.37	+1.64
NYSE COMP	136.71	+1.49
NASD COMp	370.60	+1.32
S–P INDEX	226.40	+3.19
S–P COMPOSITE	237.31	+2.59
AMEX INDEX	268.17	+1.65

NYSE Highest Volume

WEST AIR	11¾ +⅛
NAVISTAR	10¼ +⅛
ATT	22⅛ +⅛
CAST KODAK	83⅞ +2¼
MFRS MAN	55½ +1½
HIR — WAL	24⅝ +1⅛
MID — SO	13½ +½
IBM	147⅝ –⅜
UNION CARB	21⅛ +⅜
ASH LAND OIL	54½ +2½

Statistics

NYSE	VOL. 162,034,030	STOCKS UP 1,106	DOWN 577
NASDAQ	VOL. 110,004,600	STOCKS UP 804	DOWN 1220

Comment
WALL STREET STOCKS CLOSE AT RECORD HIGH. – The stock market lurched further into record heights yesterday as gold celebrated the easing of tensions in Libya, lower interest rates + oil prices, traders said.

U.S. Money Rates

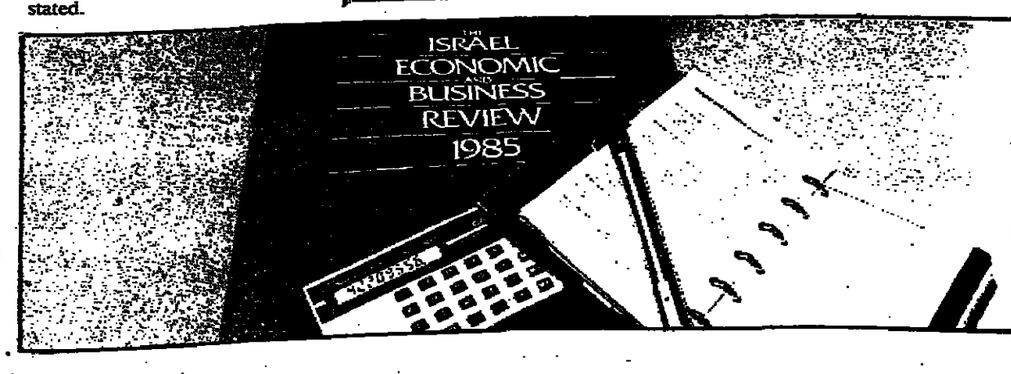
Prime 9.00%; Broker 8.25% to 8.50%; NY Euros 3 months. 7⅝%; Fed Funds last 7½%

New York Foreign Exchange

	DMK	SFR	STG	YEN	CAN
YESTERDAY'S CLOSING	2.3465/75	1.9650/70	1.4645/55	180.30/40	1.4020/25
OPENING	2.3470/80	1.9670/85	1.4635/45	180.60/70	1.4031/36
LATEST	2.3325/40	1.9545/65	1.4717/27	179.85/95	1.4020/25

Comment
DOLLAR SLIPS TOWARD DAY'S LOWS — March 26. — The dollar slid back towards 2.33 marks in mid-afternoon position squaring before the long holiday weekend. Sterling, boosted by interest rate differentials, benefited from dollar sales. Also, yen sales earlier were encouraged by talk Japan would intervene in currency markets to weaken it if necessary.

Overseas financial data – from Reuters exclusively to *The Jerusalem Post*.



THE ISRAEL ECONOMIC AND BUSINESS REVIEW 1985

The Israel Economic and Business Review is the most comprehensive source of economic and commercial information and analysis of the Israeli economy available in English.

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Introduction by Prof. Zvi Sussman: Special feature essays include analysis of the military-industrial complex, the economy of the West Bank and Gaza and labor trends.

Sectorial analyses cover both the industrial and service sectors in detail. These are followed by extensive data tables and other informative appendices which make the Review an indispensible reference manual for both individuals and organizations with commercial and financial interests in Israel.

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Still fiddling in Europe

THE U.S. Sixth Fleet is due to leave the Gulf of Sidra after having bloodied Muammar Gaddafi's nose, but without having brought down the inflated balloon that is the Libyan dictator.

To be sure, the American vessels that crossed Gaddafi's mythical "line of death" into the gulf were not directly aiming to change the regime in Tripoli, nor were they carrying war to Libyan shores. They were out to assert the rights of all seagoing nations to freely sail the high seas, even in the face of a threat of war by an aggressor state that had arrogated a part of the high seas to its territory. But the clash of arms triggered by a Libyan missile attack on the American vessels has also led to a formal declaration of war by Gaddafi, and it need not be assumed that this will immediately be retracted in the wake of the U.S. withdrawal.

Gaddafi's announcement of his readiness to fight the U.S. "around the world" should not be taken lightly. For what he really means is not that the clay colossus that is his army will openly wage war on mighty America, even in the Mediterranean, but mainly that he will make sure that the terrorists, mostly Palestinian in origin, who owe him fealty as their godfather, will emerge from underground to do it for him.

The first terrorist group to respond to this implied call to arms was, appropriately enough, Abu Nidal's Fatah Revolutionary Council. Rattling the sabre from its office in Damascus yesterday, it vowed to attack U.S. – which presumably also means Israeli – targets anywhere, in retaliation for the "abominable aggression" against Libya.

Damascus has lately been second home for Sabri al Banna, who goes by the name of Abu Nidal. But his true spiritual capital appears to be Tripoli, and his kinship with Gaddafi is a matter of record. It was, as the Russians would say, no accident that the massacres last December at the Rome and Vienna airports were masterminded by Abu Nidal with Gaddafi's support. The Libyan strongman's power rests in no small measure on his ability to mobilize the cooperation of the ex-Fatah terrorist to whom Yasser Arafat is a "puppet at the hands of the Americans."

But Gaddafi's influence would not have spread as widely as it has without the craven tolerance of his outrages by the West European countries.

How ingrained this attitude remains, was illustrated at the meeting – a regular meeting – of Nato's council of ambassadors in Brussels yesterday. That the ambassador of Greece should state that his government regards Libya as a friend, and would not allow its territory to be used for attacks upon it, was to be expected. But it was the ambassador of Italy who, so it is reported, was most vociferous in criticizing U.S. actions this week and in calling for avoidance of "further incidents."

That the true source of such "incidents" is Tripoli, does not seem to bother the government of Libya's next-door neighbour across the Mediterranean. Last January Premier Bettino Craxi appealed to Col. Gaddafi to distance himself from Abu Nidal: that was after the airport attacks, and Mr. Craxi's decision to oblige President Reagan by at least banning arms exports to Libya. The clear suggestion there was that, unless Gaddafi mended his ways, the close economic ties between Italy and Libya might be further strained.

But Gaddafi only drew closer to Abu Nidal, and Mr. Craxi chose to sit idly by and wait for the next airport massacre.

What, then, is to be done? One remedy that surely does not apply to the crazy state that is Gaddafi's Libya is the one proposed by the well-intentioned Belgian ambassador: pacific settlement. The countries of Western Europe are understandably concerned, as is every peace-loving country, that the south-eastern Mediterranean may spark off a global conflict. But the danger of that happening will be infinitely greater if the Gaddafi-Abu Nidal gang is allowed to shoot up with impunity whoever crosses its path.

A new year

THE PEACE treaty with Egypt today enters its eighth year. With each passing year, the hopes and euphoria that marked March 1979 recede further into history, unaccompanied by present echoes. But perhaps each passing year also, in a more subtle way, cements that peace as an established feature of the region's political landscape.

In Israel, the record of that peace has confounded both the naive optimists, who expected a wholly changed world, and the morbid pessimists who expected a worse world. Relations with Egypt are neither as good nor as bad as either foretold.

What is the case, however, is that the peace has withstood the strains to which it has been subject, and both nations and both governments remain firmly committed to sustaining and strengthening it.

Those strains have derived from the foreign policies pursued by both countries – the Lebanese War, for example, in the case of Israel, and the courtship of Yasser Arafat, for example, in the case of Egypt. They have also derived from the nexus of domestic politics in the two countries, where opposition groups have sought to deploy the agreement against the incumbent governments.

And in Israel this domestic political use of the peace has been further complicated by the difference within the government between the Alignment and the Likud.

But despite these and other pressures, the agreement has stood the tests. It remains the supreme political achievement of the last decade. But it also remains a reality which cannot be taken for granted, which requires tender care and constant nourishment, mutual sensitivity and mutual political wisdom.

If in the eighth year of the agreement, the two governments can get past the issue of Taba, which looms so irrationally large on the agenda, then perhaps the echoes of 1979 will sound again.

POSTSCRIPTS

P.S. THE U.S. NAVY later this year is to get its first Jewish woman chaplain, and the U.S. Army is eventually to have a Jewish woman cantor.

In fact, the navy will have its first husband-wife chaplain team of any faith when Julie Schwartz and her husband, Steven Balaban, graduate from the Hebrew Union College, the Reform movement's rabbinical school in Cincinnati, this June, according to the bulletin of the movement's Central Conference of American Rabbis.

And Sherri Crystal Langston, 19, a first-year "plebe" at the U.S. Military Academy at West Point, who had not been a synagogue-goer in her native Walkill, N.Y., is active on the Jewish chapel committee and sings in the chapel choir. Sherri's sister, Brandy Hope, 20, is also a cadet at West Point, in her junior year.

There are an average of 40-60 Jewish cadets at West Point each year, according to the *National Jewish Post and Opinion*. *M.K.*

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Converging interests

GIDEON RAFAEL

SOVIET-AMERICAN divergence in the Middle East and elsewhere is widespread and deep-seated. Are there issues and spheres where their interests converge? The management of crises from reaching the danger point of possible superpower confrontation is one of the areas where their mutual apprehensions could generate common action.

For their own sakes and for the avoidance of wider conflagrations in the Middle East, the U.S. and the Soviet Union would do well to adjust their moves at an early stage of a conflict, in order to avoid a situation where its extension might cause a superpower confrontation. In the declaration of principles adopted at the Moscow Summit Conference in May 1972, the two powers committed themselves "to do everything in their power so that conflicts or situations will not arise which would serve to increase international tensions. Accordingly they will seek to promote conditions in which all countries will live in peace, and security..." The implementation of this principle by the elaboration of consulting procedures should figure prominently on the American-Soviet agenda.

THE PROCESS of Soviet-Israeli alienation, which began in the early 1950s, when the Soviet Union progressively aligned itself with the Arab states against Israel, has culminated since the Six Day War in a number of crises that affect not only Israel but also the relations between the superpowers. The Soviet military presence in Syria has created a particularly hazardous situation with Soviet military personnel and installations confronting Israeli forces deployed on the Golan Heights.

The fact that the Soviet strategic border with Israel runs somewhere in the vicinity of Kuneitra, a town on the Syrian side of the Golan Heights, enjoins both governments to consider their moves with utmost prudence. The imbalance prevailing in Soviet-Middle East relations in extending Soviet friendship and support exclusively for the Arab side increases the regional tensions, and deprives the Soviet Union of any significant diplomatic influence on the political developments in the Arab-Israeli conflict.

Moscow boycotts Israel diplomatically, defames it publicly, attacks it relentlessly in all international organizations, offends it by harassing Soviet Jewry, and pains it by its refusal to let Soviet Jews go freely to Israel. All this gravely impairs the capacity of the Soviet Union to play a constructive role in the peace process.

The resumption of the dialogue between the Soviet Union and Israel is not only an indispensable requisite for the normalization and restoration of their relations, but no less a necessary safety valve for reducing dangerous tensions in the area. Such a dialogue could help prepare the ground for the Soviet Union to make positive contributions to the advance of peace and stability in the Middle East, reduce the dangers of superpower confrontation and alleviate the plight of Soviet Jewry.

While Moscow engages in political sparring, Washington's record indicates that it will continue its endeavors to promote the peace process. The helpful role played in the attainment of peace between Egypt and Israel justifies the belief in additional successes for American peace diplomacy in the Middle East.

THE unbridled arms race in the Middle East is another issue of concern not only for the acquiring, but

> 'The spectre of terrorist access to nuclear devices should alarm the Soviet Union no less than the rest of the world

also for the supplying states. The Soviet Union and the U.S., both heavily engaged in the Middle East arms trade, are aware of its inherent danger. In the period between 1973 to 1983 the Arab states alone purchased from the U.S. and Europe arms worth $19 billion and from the Soviet Union and its allies, $27 billion.

The arms-purchasing states, including Israel, are increasingly accumulating mountains of debts higher than the stockpile of arms they are hoarding. Whether the debt pile will collapse before the stockpile blows up is a matter of conjecture.

The idea of curbing the Middle East arms race has been discussed on numerous occasions and in various forums. When Security Council Resolution 242 was tabled in 1967, the original U.S. draft included a provision for joint measures to regulate the arms trade in the Middle East. The Soviet draft resolution also contained a paragraph on the same subject. Both, however, were deleted from the final British text in order to accommodate the Arab states, which felt the need to replenish their arsenals depleted in the Six Day War.

Odd as it may appear, all the agreements concluded between Israel and the Arab states, beginning with the armistice accords of 1949 up to the peace treaty with Egypt in 1979, contain provisions for the reduction of armaments, limitation of forces, demilitarized zones, and third-party verification and supervision.

These agreements reflect a well-balanced mix of military prudence and political perspicacity. The experience gained in the application of these limitations can be of considerable value for the discussion of agreements on arms control in the Middle East. Since the bulk of heavy and sophisticated weapons used or stored in the Middle East is of foreign origin, the possibility of an agreement on the regulation of the arms trade should be explored in the first instance by the exporting rather than the importing states. However, the latter at present refuse to reason together on any subject.

The ongoing negotiations between the U.S. and the Soviet Union on arms control may offer a suitable occasion and forum for their consultation on measures to curb the ever increasing risks of the Middle East arms race.

But dangerous as the uninhibited arms race is, there is another peril of cataclysmic dimensions looming on the not-too-distant horizon: the use of nuclear weapons in Middle Eastern conflicts.

It would be psychologically, politically, and practically erroneous, if not disastrous, to accept uncontrolled nuclear nationalism in the Middle East as an inescapable fate. The awareness of the enormity of the threat is vital for its prevention. It hovers over the region as a whole and its implications are of global gravity. Neither conventional strategy nor outworn policies can master it.

Unless the governments in the area adopt a regional approach, the peril of preemptive war in the Middle East and ultimate destruction will become the predominant theme of the final years of the 20th century.

THE government of Israel has proposed declaring the Middle East a nuclear-free zone. Egypt has taken an important initiative in this matter by introducing in 1982 a resolution in the UN that Israel supports. Nuclear proliferation for military purposes is, of course, not only a matter of concern for the countries in the Middle East, but of grave responsibility for the principal nuclear powers.

In the absence of a regional negotiation forum, the U.S. and the Soviet Union ought to give thought to creating a framework for the elaboration of a plan for the denuclearization of the Middle East, a forum in which representatives of the states in the area might be willing to cooperate.

As a first step, the two powers might prefer to convene a less formal gathering attended by their scientists, academics, nuclear arms control experts, strategists, and diplomats, together with their conterparts from Middle Eastern countries. Such a meeting should do the preliminary work of identifying the problems and discussing approaches and means to deal with them.

In any event, the fact that the two superpowers are fully conscious of the danger of nuclearization is evident in their collaboration within the framework of the nonproliferation treaty and in their discreet consultations on the prevention of the uncontrolled transfer of plutonium usable for military purposes. Their joint efforts in this field could form a basis for enlarged consultations on the danger of Middle Eastern nuclearization.

There is a side aspect, by no means negligible, to the problem. It is growing anxiety about the coming nuclearization of international terror, a pernicious prospect that should evoke the gravest concern of the superpowers. Moscow had adopted a rather benign attitude, to put it mildly, toward international terrorism, catering especially to the political views and logistic requests of Arab terrorist organizations.

The spectre of terrorist access to nuclear devices should alarm the Soviet Union no less than the rest of the world, and induce it to take counsel with the U.S. and other concerned governments on measures to combat the looming danger.

Agreement in any one of the areas of convergence may generate progress in others. The main burden of responsibility for the elimination of conflicts rests, of course, upon the states in the region. But they would be greatly assisted by the reduction of differences between the superpowers, whose divisions are as dangerous to themselves as they are harmful to the cause of peace in the Middle East.

Excerpted from the winter issue of Political Science Quarterly. *The writer is a former director-general of the Foreign Ministry.*

Dry Bones



READERS' LETTERS

ELEMENTARY SCHOOL TEACHERS

To the Editor of The Jerusalem Post

Sir, – I refer to the letter of March 14 by Tamar Edre'ey on the subject of elementary school teachers. I write as one who served in the school system in South Africa for more than 40 years, half of which were in teacher training, including several years as rector of a college of education where students were trained for careers in the infant elementary classes in our schools.

I agree wholeheartedly with Ms. Edre'ey that the work of the elementary school teacher is most important as it is in the earliest years of the child's school life that the foundations for his future are laid.

The elementary school teacher is entitled to respect and recognition and the importance of her work should be acknowledged by the community. But the elementary school teacher must be adequately equipped for her vital work and a very high standard of qualification must be demanded of her. If all elementary school teachers were well trained and held certificates at least equal to those held by the high school teachers, they would be respected by colleagues and parents, as they deserve to be.

The minimum qualification for admission to a teacher training college should be the matriculation. The college course should be of not less than three years' duration with a possible extension to four years and, on the successful conclusion of the course, the student should receive a bachelor's degree in education, as B.Ed. (Elementary School) or B.Ed. (Pre-School), or something similar.

The college course should include all the usual professional studies, such as principles of education, child psychology, history of education, as well as methods of teaching all the subjects of the elementary school, together with the content matter of all those subjects with adequate background knowledge, and, considerable class-room experience under supervision. The fourth year of a course might provide for a deeper study of one or two subjects taken to first year university level.

I stress the importance of academic study which, in these days, is essential. The child of today is very different from the child of yesterday. Reared on television, he knows very much more than his parents did at a comparable age and his range of interests is much wider.

An intelligent child even in a most junior class will ask many questions and the teacher must be equipped to be able to answer them.

Arm your elementary school teacher with knowledge, skills and understanding and she will be entitled to, and will enjoy the respect of her colleagues in high school. Teachers already in the service should be given the opportunity to raise their qualifications through correspondence and intensive vacation courses. *A. LEVINE*

Tel Aviv.

BREAKING THE LAW

To the Editor of The Jerusalem Post

Sir, – I am a convert to Judaism via the *Beit Din* in Boston, Massachusetts. For the past four months, since my own aliya, I have been following the stories and letters concerning the procedures of the Ministry of Interior in the registration of immigrants. Yitzhak Agassi's letter of March 14 once again makes it clear that the existing law is being broken and that it is the rabbinical court and not the Ministry of Interior which really issues identity cards.

In my own case, although my conversion was signed by Rabbi Abraham Halbfinger, whose name is on the approved list of rabbis maintained by the rabbinical court, I was told by the Ministry of Interior that they had no authority to decide my case and that my papers would have to be sent to the rabbinical court for approval.

I came to Israel because I believe that all Jews should live here at some time in their lives and because I believed that a Jewish future in the Diaspora is not secure without Israel. Since arriving here, I find that I am faced with the question of a Jewish future in Israel.

I am appalled that people who call themselves pious Jews are willing to use the Tora as a weapon to grab personal power. However, I am more appalled at a government and a population who are unwilling to correct the matter.

These practices are not going to change until the Jews living here decide to stop supporting them with their silence and begin demanding that the law be observed. Where are those brave, tolerant Israelis who dreamed of an Israel for all Jews; who dreamed of a strong, secure, modern country where we could live in peace among ourselves, if not with our neighbours? I suspect they are not in Israel, but if I am wrong, please stand up and be counted.

EVELYN S. DOW

Tel Aviv.

REFORM PRAYER

To the Editor of The Jerusalem Post

Sir, – I feel strongly revolted by what I read in MK Menahem Porush's weekly column in *Jewish Press*, on February 21, about the vote on "Who is a Jew."

Porush writes that Rabbi Moshe Sher provided him with proof that in Reform prayer books, there are no prayers with reference to Jerusalem or Zion. This is not accurate. The New Union Prayer book, *Gates of Prayer*, published by the Central Conference of American Rabbis in 1970, consists of 779 pages of which at least 40 contain prayers for Jerusalem and Zion.

NORMAN J. FELDMAN

Miami, Florida.

POOR EXAMPLE

To the Editor of The Jerusalem Post

Sir, – Congratulations on your report of March 18, "MK queries Navon on his two cars, chauffeurs."

There seems to be no end to the excesses of our elected officials at the expense of the long-suffering public. At a time of austerity, our former president and present education minister is certainly setting a splendid example of educating our youth.

YEHESKEL SILAS

Bat Yam.

ZIM IN FAR EAST

To the Editor of The Jerusalem Post

Sir, – In his article of January 28, "Israel and Singapore could be powerful partnership," Daniel Halpern quotes Amos Bar, Israel's commercial counsellor in Singapore as saying: "Why is it that El Al doesn't operate direct airlinks to the region, that Zim doesn't operate more frequent cargo service to the port and that the Israeli banks do not have a local presence in this international financial centre?"

Since this is not correct as far as Zim is concerned, we contacted Amos Bar who told us explicitly: "I didn't say a word about Zim or El Al. I know all about Zim's efforts in the region. I deny what was published."

A. SHRAGAI.
Public Relations Officer,
Zim

Haifa.

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